FBIS DAILY REPORT

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BIGNONE VISITS NEUQUEN, ENCOUNTERS DEMONSTRATORS

PY161740 Buenos Aires BUENOS AIRES HERALD in English 16 May 83 p 5

[Text] Neuquen -- President Reynaldo Bignone arrived here last night to deal firsthand with the tense political and economic situation in this province. Bignone read a brief message to officials who greeted him at the airport and later was met by some 300 protestors at his hotel. This demonstration followed another one two days ago, in which thousands of people rallied to express their repudiation of the Armed Force's recently released document on subversion.

The protestors, led by local Justicialist head Alberto Nievas, carried a large sign with the name of CGT-Brasil leader, Saul Ulbaldini, written on it and others carried ones bearing the picture of former president Juan Peron. They then began to sing the national anthem, at which point the president, surrounded by bodyguards, halted his walk towards the hotel entrance to join in with them.

Afterwards Nievas was permitted to hand Bignone an envelope, reportedly containing a demand for tax exemptions for the region. After Bignone had entered the hotel the protestors shouted slogans saying: "Bignone, Bignone pay attention, the Peronists of Neuquen want a solution." Also travelling with Bignone are interior minister Llamil Reston, Economy Minister Jorge Wehbe, Public Works Minster Conrado Bauer, and Planning Secretary Jose Miret.

Views on Beagle, Papal Mediation

PY170054 Buenos Aires TELAM in Spanish 1920 GMT 16 May 83

[Excerpts] Neuquen, 16 May (TELEAM) -- President Reynaldo Bignone stated here today that the national government is absolutely convinced that the appropriate means to solve the Beagle conflict is the papal mediation. He added that the proposal has not been fully accepted, that further details have been requested, and that the decisions that might be adopted will be made through a referendum by the next government.

President Bignone made these remarks, in addition to stating other opinions, during a press conference he granted today at the conference hall of the Neuquen Public Works and Services Ministry to approximately 45 reporters from different national and regional communications media within the framework of his tour through the interior.

Resuming his answer to the question put to him on the Beagle conflict, Bignone stated that nothing new has developed in this regard during the past few months, that no official papal delegate has arrived, and that the Vatican has not urged the Argentine Government to adopt any decision.

The president also denied press reports that have been circulating in this regard during the past few weeks. He also denied the possibility of turning down the papal proposal, although he states that it has not been fully accepted but that further details have been requested and that the decisions that might be adopted on this issue will be made through a referendum by the next government.

Gen Bignone also said that a set of petitions was presented by Neuguen Justicialist leaders yesterday upon his arrival, in a manner exhibiting great respect. He said he wanted to explain this because some reports released this morning stated that the president's automobile could not reach its destination and that President Bignone had to get out short of the intended location. This is absolutely groundless, he stated. The presidential automobile reached the door of the hotel, and upon arriving there we found a demonstration by persons who were singing the national anthem. Consequently, Gen Bignone added, the governor and I did not enter the hotel directly but waited until the end of the national anthem. When it ended, the Justicialist Party interventor gave me a list of petitions in a very respectful manner, the president stated.

BIGNONE, CGT LEADERS HOLD 4-HOUR MEETING

PY162046 Buenos Aires BUENOS AIRES HERALD in English 15 May 83 p 5

[Excerpts] The Azopardo branch of the General Confederation of Labour (CGT-Azopardo) yesterday asked President Reynaldo Bignone for the appointment of special commission to call for elections in trade unions controlled by government trustees, for social benefits to be returned to the workers and for an increase in minimum salaries and family allowances, the grouping's leader Jorge Triaca said yesterday after a four-hour meeting with Bignone at the Olivos presidential residence.

Pedro Xoyeneche (textiles) and Ramon Baldassini (naval electricians) described their meeting with the president yesterday as "negative" and did not rule out the possibility that the labour organization may decide on strike measures to press their demands.

Acting as CGT-Azopardo spokesman, Triaca said that the possibility of a stoppage was not discussed at the meeting, which was also attended by Labour Minister Hector Vellaveiran and Social Action Minister Adolfo Navajas Artaza.

However, the 15 CGT-Azopardo leaders who held talks with the president met later in the day to discuss Bignone's answers to their demands as a prelude to a plenary meeting due to be held next Tuesday to decide on the course of action to follow.

The labour delegation was headed by the four CGT-Azopardo Secretary Generals: Jorge Triaca, Jorge Lujan (glass), Luis Etchezar (La Fraternidad) and Ramon Baldassini (FOECYT). [Postal and telecommunications].

HERALD ON REQUEST 'TO MODIFY' PAPAL BEAGLE PLAN

PY161332 Buenos Aires BUENOS AIRES HERALD in English 15 May 83 p 15

[Text] The government will ask the Vatican to modify certain parts of its proposal for a solution to the conflict between Argentina and Chile, because it does not take into account the bi-oceanic principle, reliable military sources said yesterday.

The sources said that the principle stating that Argentina can claim no rights in the Pacific and Chile can have no rights in the Atlantic which has traditionally ruled relations between the two countries was not included in the pope's proposal, making it therefore unacceptable to Argentina.

No official information concerning the contents of the proposal have been made public even though it was handed to the Argentine government in December 1980.

However, the sources added that the proposal grants Chile jurisdiction over 12 nautical miles east of the disputed area in spite of the fact that it is definitely in the Atlantic. They went on to say that the joint activities zone and the Sea of Peace (where coparticipation would be the rule) included in the proposal cover Atlantic waters exclusively. Ranking military officers who were queried on the subject, disagreed with the pope's granting of the Picton, Lennox and Nueva Islands as well as the smaller islands further south to Chile because they are in the Atlantic and none have been granted to Argentina. "All this," they said, "benefits Chile" but Argentina is granted no reciprocal rights in the Pacific.

Aguirre Lanari on Beagle

PY161935 Buenos Aires Domestic Service in Spanish 1600 GMT 16 May 83

[Text] Costa Rican First Vice President Alberto Fait arrived in our country in response to a special invitation extended to him by the Argentine Government. Fait was met at the Ezeiza International Airport by (Enrique Simbada), head of protocol, and after a few minutes at the airport flew by helicopter to the metropolitan airport where he was officially received by Foreign Minister Juan Ramon Aguirre Lanari.

Shortly after his arrival, the Costa Rican visitor met with journalists to whom he stated that if a joint effort is not made by the developing countries to confront the lack of understanding of the strongest countries, we will have to face very difficult times.

He also explained that he will hold meetings with Foreign Minister Aguirre Lanari and President Bignone in order to seek common points of view within the framework of the Latin American unity. He also stated that in the economic field he will sign a bilateral agreement with the purpose of maintaining trade exchange through the sales of Costa Rican coffee and Argentine wheat.

It must also be pointed out that Foreign Minister Aguirre Lanari, while awaiting the arrival of the Costa Rican vice President, also met with journalists who had gathered at the airport for the same reason. The foreign minister referred to the pope's mediation in the conflict over the Beagle and stated that it is necessary to extensively discuss the situation and find the solutions which will be in keeping with the interests of the two countries.

He pointed out that the Argentine Government is acting in compliance with a request made by the pope when he met with the Argentine and Chilean representatives and urged them to continue working within the mediation framework in order to find solutions which would be in keeping with the common interests.

BOLIVIA'S ARCE GOMEZ REPORTEDLY DETAINED

PY162310 Buenos Aires DYN in Spanish 1921 GMT 16 May 83

[Text] Buenos Aires, 16 May (DYN) -- Former Bolivian Interior Minister Colonel Luis Arce Gomez was detained today and held in the holding cells located at the court in this capital in response to an extradition request by a U.S. federal court, it was learned this afternoon.

The detention of Col Arce Gomez was ordered by federal judge Jose Nicasio Dibur. It has been impossible to obtain confirmation of the detention at this court. Court sources have reported that Arce Gomez's detention would be temporary, until all documents on the extradition requests are received.

FLOODING CAUSES DAMAGE IN NORTHERN PROVINCES

PY161900 Buenos Aires BUENOS AIRES HERALD in English 16 May 83

[Excerpts] The already critical conditions in the flood-ravaged northern provinces worsened yesterday when the weakened dikes which were the only thing protecting the city of Formosa gave way at midday and flooded the city. As the defences broke down from the erosion of the Paraguay River, at a record depth of 9.63 metres, the raging waters rushed into the lower neighborhoods and threatened to cover the entire city.

In Clorinda, the second largest city of the province, more than 5,000 people were forced to abandon their homes and spend the night exposed to the inclement weather as the dikes of this city also gave way. Intense rain fell all night and more than 70 percent of the city is now under water. There were dramatic scenes of thousands of people forming long lines at evacuee centres to receive food and dry clothing.

Unofficial reports claim that more than 150,000 people have been evacuated from their homes in the northern provinces, some eleven and a half million hectares are now under water (which is almost equal to the surface area of the province of Tucuman), and property damage estimates place losses at over 21 trillion pesos.

An official of the civil defence said that the only way to describe the situation was to simply call it a "catastrophe."

Chaco Governor Colonel Jose Ruiz Palacios, in a press conference yesterday said that the city of Puerto Bermejo, with a population of 5,000, some 70 kilometres to the north of Resistencia had been totally covered with water. He said that he had received an "urgent call" from the head of the city yesterday morning reporting the incident, but that the evacuation was effected "with perfect order and that they fought against the river until the last minute." He added: "There is nothing left to do now, but to attend to the victims."

MONTONEROS INTERRUPT TV SIGNAL, READ MESSAGE

PY161305 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0153 GMT 16 May 83

[Text] Buenos Aires, 15 May (NA) -- The transmissions of Channel 13 Television were subverted tonight in the southern zone of Greater Buenos Aires. A proclamation lasting some 15 minutes from the terrorist organization "Montoneros" was read.

An employee of the station's control center reported that he received "several" phone calls denouncing the interference which interrupted the program "Extra Tato" by the humorist Tato Bores.

The denunciations were made by TV watchers from Sarandi, Avellaneda. The proclamation was read by a person who identified himself as Mario Firmenich, head of the terrorist organization.

HAVANA REPORTS LA PAZ MAY DAY CELEBRATION

PA151945 Havana International Service in Quechua 2200 GMT 8 May 83

[Text] Labor Day, 1 May, was celebrated in La Paz with a big march headed by important leaders of the Bolivian Labor Federation [COB]. The marchers paraded down the main avenues of La Paz and passed in front of the government palace. The march followed a speech delivered by leaders of the COB, whose president is Juan Lechin Oquendo. According to observers, this was the largest workers march in recent years.

As the marchers passed the U.S. Embassy, they shouted their solidarity with Cuba and Nicaragua, as well as with the struggle of the Salvadoran people. They shouted slogans scoring the Reagan administration's interventionist policy. The workers also shouted their support for the Siles Suazo government, asked the Bolivian Government to implement the plan on labor comanagement in state enterprises, and demanded labor control in private enterprise. The Communist Party of Bolivia has issued a communique calling for labor unity to have a common front and to wage a single struggle against Yankee imperialism, as well as to struggle, together with all other sectors of the population, to achieve Bolivia's complete independence. The communique also cautions that the country must be alert to check antinational reactionaries who are trying to gain power.

PRESIDENT DESIGNATES THREE NEW MINISTERS

PY170346 Paris AFP in Spanish 0313 GMT 17 May 83

[Excerpt] La Paz, 16 May (AFP) -- President Hernan Siles Zuazo managed to overcome the cabinet crisis that developed last week in the Bolivian Government when he designated today an agrarian union leader as minister of campesino and agricultural affairs and two active members of his party as new ministers of foreign affairs and of industry and commerce. In a ceremony held at government palace the president presided over the swearing in ceremony of Marcial Tamayo as new foreign minister, Victor Mercado as new minister of campesino affairs, and Marcelo Barron as industry and commerce minister. They will replace Mario Velarde Dorado, Zenon Barrientos Mamani and Javier Lupo Gamarra respectively.

The ministerial reshuffle, which did not include the return of the Movement of the Revolutionary Left (MIR) led by Vice President Jaime Paz Zamora to the government structure, now marks an almost absolute majority for the National Revolutionary Movement of the Left (MNRI) which is headed by the president himself. The Communist Party has two ministers who are currently being questioned and pressured to leave the government.

The new foreign minister, who had been the economic adviser to the president, has promised to continue with the foreign policy of his predecessor and to defend national sovereignty, which is our greatest heritage. The appointment of the three new ministers was preceded by intensive negotiations between the Democratic and Popular Unity (UDP) member parties aimed at rechannelling the process. The MIR tried to return to the government but the negotiations failed for reasons that were not very clear. Information Minister Mario Rueda Pena stated that the MIR members wanted the government to entrust the strategic Campesino Affairs Ministry to them. However, President Siles Zuazo did not honor the MIR's request. Vice President Jaime Paz Zamora has stated that his party will not return to the government to play a stop-gap role but only to attain unity in the conduct of the process.

REAGAN'S INTERVENTION REQUESTED ON LOAN FUNDS

PY161535 Paris AFP in Spanish 1849 GMT 15 May 83

[Text] Rio de Janeiro, 15 May (AFP) -- It was disclosed in Rio de Janeiro today that Brazilian President General Joao Figueiro has requested Ronald Reagan's intervention so that U.S. banks will speed up the release of loan funds negotiated with Brazil. Presidential spokesman Carlos Atila, in statements published by O GLOBO, stated that General Figueiredo had not requested the granting of a new government-to-government emergency loan as some Brazilian dailies had stated.

The source added that the Brazilian Government's objective is to obtain the renewal, on a short term, of the credit lines provided for in the program to refinance Brazil's 1983 foreign debt.

Early this year Brazil, obtained a $4 billion loan (on a 4-year basis) from the IMF and the rescheduling, on an 8-year basis, of the principle of its medium term debt; but officials still have not managed to convince foreign bankers to renew the short term credit lines for $10 billion granted to the Brazilian bank correspondents abroad. According to the statistics of the Brazilian Central Bank the country's foreign debt in late 1982 amounted to $88 billion.

PEACEFUL DEMONSTRATIONS REPORTED IN SAO PAULO

PY170333 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 17 May 83

[Excerpts] Tomorrow"s newspapers will also report new demonstrations unemployed workers have staged along Sao Paulo streets.

Unemployed workers reported their critical situation during a meeting held inside the Santo Amaro Church and during two marches and a rally held in downtown Sao Paulo.

The marches, staged in Santo Amaro and in downtown Sao Paulo, ended peacefully. The military police watched marchers from a distance.

In Santo Amaro those who were heading the movement disagreed with the committee for struggle against unemployment and proposed the seizure of squares and streets.

After a public rally held at the 13 de Maio Square, some 300 people decided to take buses to the metalworkers' union headquarters, but without paying for their tickets. After a march along some streets, workers arrived at the union headquarters. The only thing they obtained were sandwiches from the union.

During a press conference held at Bandeirantes Palace, Governor Franco Montoro spoke about the demonstrations. Montoro told reporter (Pedro Ferreira) about the recommendation he made to the public security secretariat on dealing with the demonstrations.

[Begin Montoro recording] The recommendations are the same I gave on the first day, that is, order must be defended very cautiously and prudently, recalling that there are genuine reasons for this kind of demonstration. [Words indistinct] a warning of the problem of the unemployed, which is a real, serious issue.

It is very unfair to condemn the Sao Paulo government for existing unemployment levels, which result from the economic policy that our country has carried out for more than 20 years. [end recording]

SPANISH KING, QUEEN GO TO BRASILIA 16 MAY

PY162005 Paris AFP in Spanish 1815 GMT 16 May 83

[Text] Brasilia, 16 May (AFP) -- Spanish King Juan Carlos arrived today in Brasilia at 1400 hours from Salvador aboard a DC-8 of the Spanish Air Force.

Upon their arrival, King Juan Carlos and Queen Sofia, were welcomed by Brazilian President Joao Figueiredo and members of the Brazilian Government.

Meeting With President

PY170238 Brasilia Domestic Service in Portuguese 2200 GMT 16 May 83

[Excerpts] The Spanish king and queen arrived in Brasilia today on the first day of their official visit to Brazil. Shortly after 1600, King Juan Carlos arrived at Planalto Palace to meet with President Joao Figueiredo for the second time.

President Figueiredo and Foreign Minister Ramiro Saraiva Guerreiro were waiting for King Juan Carlos on the third floor. Brazilian Ambassador to Spain Lauro Escorel Rodrigues and recording official (Ronaldo Motes Sanderberg) were also waiting at the presidential office. On the Spanish side, Spanish Foreign Minister Fernando Moran, Spanish Ambassador to Brazil Miguel de Aldaz[illegible]ro, recording official (Carlos Miranda) -- the earl of the House of (Miranda) -- and [illegible]eneral (Sabino Fernandez) were also waiting for the king.

After the meeting, which lasted 1 hour and 15 minutes, President Figueiredo escorted the visitor to the second floor of Planalto Palace.

BRIEFS

OIL PRODUCTION INCREASE, EXPORTS -- According to a report released on 2 May by Petrobras, overall oil production during the first 4 months of 1983 amounted to 38.28 million barrels. This is a 23.9 percent increase over the same period in 1982. Average daily production amounted to 319,051 barrels, while only 257,406 barrels were produced during the same period in 1982. The continental shelf fields produced 21.79 million barrels, showing a 34.7 percent increase compared with the same period in 1982. Land fields produced 16.48 million barrels, a 12.1 percent increase in production. Production in April 1983 amounted to 9.56 million barrels, an 18.8 percent increase compared with production figures of April 1982. Two more wells went into production on 2 May at the Campos Field. [Rio de Janeiro O GLOBO in Portuguese 3 May 83 p 15 PY] Petrobras has told O GLOBO that it exported oil worth $200 million during April 1983 and that overall exports for the first 4 months of 1983 amount to $500 million. Petrobras has also reported that it expects to export $1.5 billion worth of oil during 1983. [Rio de Janeiro O GLOBO in Portuguese 3 May 83 p 15 PY]

POLICE HOLD 17, RELEASE OTHERS IN VALPARAISO

PY170236 Santiago Domestic Service in Spanish 2300 GMT 16 May 83

[Text] The Carabineros police placed 17 of the persons arrested in the dragnets carried out in several port districts at the disposal of the courts of Valparaiso. The Carabinero operation mainly centered around the Florida, Central, San Juan de Dios and Montes de Bella Vista areas. Many of the people arrested were released while others were brought before the courts as suspects of felonies, disorderly conduct, intoxication or having warrants for their arrest pending.

Massive Search of Homes

PY141956 Paris AFP in Spanish 1346 GMT 14 May 83

[Text] Santiago, 14 May (AFP) -- Witnesses reported that Carabineros, the militarized police, have been conducting a massive search of homes in various neighborhoods of Santiago since dawn today. The witnesses added that there were approximately 1,000 detainees at 0900 (1300 GMT).

The radio station operated by the Catholic Church reported that the police-military operation is focussed mainly in San Miguel and La Granja neighborhoods, where security agents were seen using loudspeakers to compel all men over 18 years of age to get out of bed to be identified.

These people were later transported in special vehicles to a stadium or to vacant lots where plainclothes policemen and special security agents checked their background.

At dawn today, Carabineros officers informed the people that the operation was designed to turn up criminals with substantial police records. La Granja and San Miguel were the scenes of violent antigovernment demonstrations during the national protest march against General Augusto Pinochet's regime held on Wednesday, 11 May.

Carabineros headquarters in Santiago reported that a declaration on the operation, which was begun in some districts at 0200 (0600 GMT), would be released in the next few hours.

GOVERNMENT CANCELS PERMITS TO CARRY WEAPONS

PY130351 Paris AFP in Spanish 0334 GMT 13 May 83

[Text] Santiago, 12 May (AFP) -- The Chilean military government tonight canceled all permits issued to individuals to carry arms, it was reported here.

Major General Hector Orozco, chief of the metropolitan emergency zone, has ordered that effective immediately all permits to carry arms be canceled, with the exception of those granted to government officials and diplomatic and consular personnel accredited to our country.

In a communique released tonight, it is also stated that private guards and security officers can carry arms only and exclusively while they are at work.

The measure was adopted a day after the national protest day called by the Confederation of Copper Workers, which resulted in the deaths of 2 civilians, injuries to 11 policemen and 350 arrests.

INJURIES, DAMAGES OF 11 MAY RIOTS ASSESSED

PY140339 Madrid EFE in Spanish 0225 GMT 13 May 83

[Excerpt] Santiago, 12 May (EFE) -- Eleven Carabineros members were injured and 20 vehicles damaged during the incidents that took place on Wednesday's national protest day.

According to an official report released tonight, one captain, one 3d lieutenant, two sergeants, five corporals and two carabineros sustained injuries either from stones or other objects.

Among the 20 vehicles damaged, according to official sources, there were 3 patrol cars, 2 vans, 2 pick-up trucks, 2 water cannons, 6 buses, and 1 all-terrain truck, all of which show stone and handgun and rifle bullet pitmarks.

According to the same sources, one of the task force precinct's buses took six rifle shots in its front end and a van took four handgun bullets in its rear end.

REPORTERS PROTEST NATIONAL SITUATION WITH SIT-IN

PY162348 Buenos Aires TELAM in Spanish 0348 GMT 16 May 83

[Text] Santiago, 15 May (TELAM-EFE) -- A group of Chilean reporters protested today against the current situation in the country and staged a sit-in on the steps of the cathedral at the end of a mass to celebrate communications day.

After the mass, the reporters sat down on the front steps of the Chilean metropolitan cathedral shouting slogans and demanding freedom of the press.

PLAZA DE MAYO MOTHERS NOT ALLOWED INTO CHILE

PY161920 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2057 GMT 13 May 83

[Text] Buenos Aires, 13 May (NA) -- Today the Chilean military government for political reasons prevented an Argentine delegation of representatives of the association of the Mothers of Plaza de Mayo and the organization of relatives of arrested and missing persons from entering Chile.

The three-person delegation intended to take part in a Santiago ceremony to celebrate the international week of "arrested-missing" persons, organized by the association of relatives of Chilean citizens who disappeared in Argentina.

The Argentine representatives who were not allowed to enter Chile are: Mara Adela de Antokoletz, vice president of the Mothers of Plaza de Mayo; Elida Bussi de Galletti who belongs to the same group, and Mabel Gutierrez of the organization of relatives of arrested and missing persons.

The three women were obliged to remain on board the Air France plane in which they arrived at the "Comodoro Merino Benitez" (former Pudahuel) airport in Santiago, Chile.

According to a spokesman for the Mothers of Plaza de Mayo, the Chilean police launched an operation at the airport to prevent the delegation from entering the country.

In Santiago, the relatives of the Chilean citizens who disappeared in Argentina held a press conference to report on the attitude adopted by General Augusto Pinochet's government.

The three Argentine representatives, after landing at the Santiago airport with the rest of the passengers, returned to Argentina on the same Air France plane.

PACIFIC BASIN CONFERENCE SCORES PROTECTIONISM

PY131720 Santiago Domestic Service in Spanish 1100 GMT 13 May 83

[Text] The Pacific Basin countries have agreed to combat protectionist practices which hinder the normal development of international trade.

This is one of the main results of the 16th assembly of the Pacific Basin's Economic Council, which held a 4-day meeting in Santiago.

Over 300 businessmen from 21 nations made known what was called the Santiago Declaration. In the declaration, the businessmen noted that the council's basic objective is to promote economic cooperation and social progress for the benefit of all the Pacific countries.

Hugh Stevens, chairman of the Economic Council, stated that all Pacific nations will combat protectionist practices because they hinder world trade.

The countries must not only export but also import in order to attain greater development. We will propose this to each government, Stevens added.

(Manuel Valdez), head of the four-member Chilean delegation, stated that Chile is viewed as a potential partner by many businessmen, something that would make joint investments possible in the future.

FOREIGN MINISTER ON CUBAN ARMS, RELATIONS

PA122100 Bogota EL TIEMPO in Spanish 5 May 83 p 2-A

[By Gustavo Ramirez O.]

[Text] Medellin, Colombia, 4 May -- Foreign Minister Rodrigo Lloreda Caicedo revealed today that Cuba has no plan to arm subversive groups. He also said that we will never "know for sure" if any of the Libyan planes that were recently detained in Brazil had Colombia as their destination. In announcing that the Colombian Government has chosen not to act hurriedly on reopening diplomatic relations with Cuba, the foreign minister stated: "I hope that events do not prove me wrong." He added: "We are in an observation process."

Lloreda Caicedo was questioned at the end of his lecture on Colombia's entry into the Nonaligned Movement. The lecture took place in the building of the daily EL COLOMBIANO. Lloreda said he agreed with the previous government's decision to break diplomatic relations with Cuba, which did train guerrillas but did not arm them" [quotation marks as published] Tacitly alluding to the arms that the Army seized last year in the country's south, the minister said: "They acquired them on a market that is very active in many parts of the continent."

Regarding the Libyan planes, Lloreda said that it has been demonstrated that they were taking arms to Nicaragua, but when the Libyan Government requested the Aeronautics Department's permission to fly over the country, it did not specify the planes' cargo. "This much has been demonstrated," Lloreda said. "The rest, we will unfortunately never know for sure. This is because the planes never arrived here; they did not even get past Brazil. We don't know if they were going to land." The minister noted: "This will always remain a question in Colombia. There will always be arguments, to a certain extent valid, from those who believe that such an operation was in progress, and, of course, there are always doubts about the landing intentions of a plane that did not even fly over our territory. It will be up to historians to study the details that should clear this up." He concluded by saying: "The government's attitude was what it had to be: to act only on the basis of what was absolutely verifiable."

ARMY COMMANDER ON RECENT CLASHES IN CAQUETA

PA131604 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 13 May 83

[Text] Bogota -- Army Commander General Bernardo Lema Henao has said that some rebels have used the amnesty law to polish their weapons and then rejoin the subversive groups. He said, however, that the government will also reply with weapons to those promoting violence in view of their decision to continue distrupting the peace. In a statement for the television newscast "Filmview" [Cinevision], Lema Henao said that military forces have encircled guerrilla groups in El Caqueta. The groups had attempted to take over the town of El Paujil on Monday. He also said that as a result of this operation at least 28 guerrillas and 7 soldiers were killed.

The general stressed that the Armed Forces will take strong action against the rebels. In speaking about clashes at El Caqueta, he said guerrillas are fleeing in disarray and that they are being pursued by air and land. Gen Lema Henao said subversives will have to pay for their crimes, adding that in this action the government and the Aremd Forces are united and have the country's support.

GOVERNMENT EXPELS CUBAN SPORTS INSTRUCTOR

PA130244 Quito Cadena Ecuador Radio in Spanish 2300 GMT 12 May 83

[Text] Government Minister Vladimiro Alvarez Grau has confirmed that Cuban sports instructor Eliecer Ventura Oramas Oramas was expelled Friday at 1330 and put aboard a Quito-Panama flight of the Ecuadorean Aviation Company for having engaged in illicit activities not allowed by the visa under which he entered Ecuador. Alvarez said that the decision to expel Oramas, who had been serving as a basketball instructor in Puyo municipality, was adopted by the Ecuadorean state as a sovereign nation and according to the guidelines established by the country's Constitution and laws.

In addition, Alvarez stressed that the investigation that was conducted by the national civilian police and military intelligence showed that the Cuban instructor had been carrying out activities not related to sports, which were unfavorable to the state and could jeopardize the country's internal security.

[Begin Alvarez recording] (?As I said), we have carried out proceedings [words indistinct] deportation of a Cuban citizen named Eliecer Ventura Oramas Oramas. This Cuban citizen entered our country under a contract to serve as basketball instructor in Puyo municipality, but it has been internally established that he was engaging in activities for which he was not hired. In other words, he was carrying out not only the activities of a basketball instructor, but other activities as well.

A [word indistinct] from the Ecuadorean Olympic Committee dated 9 May noted that there is an agreement between the Ecuadorean Olympic Committee and several other olympic committees in the world, including the Cuban Olympic Committee, according to which all hirings of instructors and exchanges of sportsmen and [word indistinct] sports leaders must be made with the approval and with a favorable report from the respective olympic committees. In this case, the Ecuadorean Olympic Committee [words indistinct] noted that the hiring of Cuban citizen Eliecer Oramas did not have the prior approval of the Ecuadorean committee and that, therefore, it violated not only Ecuador's law on physical education, sports and recreation, but the respective international agreement between the Ecuadorean and Cuban olympic committees. [passage indistinct] [end recording]

PRESIDENT TO VISIT VENEZUELA ON 24 JUL

PA141803 Quito Voz de los Andes in Spanish 1130 GMT 13 May 83

[Text] President Oswaldo Hurtado will go to Venezuela on 24 July to participate in the events to commemorate the bicentennial of liberator Simon Bolivar's birth. Hurtado and the presidents of other Bolivarian countries will review the continent's problems on that occasion.

Foreign Minister Luis Valencia said that on the occasion of the bicentennial of the liberator's birth, the Venezuelan Government has invited all the Bolivarian presidents to meet in Caracas. This meeting will be used to exchange viewpoints on international issues.

PETROLEUM SHIPMENTS TO NICARAGUA SUSPENDED

PA161620 Paris AFP in Spanish 1558 GMT 16 May 83

[Text] Caracas, 16 May (AFP) -- Energy and Mines Minister Humberto Calderon confirmed in Caracas today that Venezuela has suspended its petroleum shipments to Nicaragua because the Managua government owes it $18 million for this product.

"We have suspended our petroleum shipments to Nicaragua because it has not paid for the last two shipments," Calderon said.

"The suspension of our shipments is exclusively due to commercial reasons, and is in effect for the past 7 months [as received] until the Nicaraguan authorities pay for their debt or present an acceptable payment plan," Calderon said.

Venezuela had supplied Nicaragua with 8,000 barrels of petroleum a day under the San Jose agreement with Mexico.

HERRERA ON U.S. REACTION TO L.A. DEBT TALKS

PA161340 Buenos Aires LATIN in Spanish 1600 GMT 16 May 83

[Excerpts] Caracas, 16 May (LATIN-REUTER) -- Venezuelan President Luis Herrera Campins has said that he expects the United States will not raise any obstacles to the holding of a conference of Latin American countries in Caracas this year to review the area's debt problems.

Herrera said that the meeting, slated for the first 2 weeks of August or September, was approved by the OAS over the weekend despite the United States' vote against it.

"We hope the United States will realize the urgency and importance of this conference, which will review the area's outlook for trade and international financing," Herrera said.

Herrera said that he expects the conference to be beneficial for the world economy and stressed that its objectives are in line with U.S. Treasury Secretary Donald Regan's proposal to conclude a new Bretton Woods agreement to resolve the current international financial ups and downs.

Diplomatic sources said, however, that the United States is concerned over the possibility that the conference could develop into a league of debtors who, should the occasion arise, might declare a joint moratorium on their foreign debts.

PRESIDENT ON PAREDES RESIGNATION, 13TH MONTH

PA152116 PanamaCity Circuito RPC Television in Spanish 1814 GMT 15 May 83

[Interview given by Panamanian President Ricardo de la Espriella to an unidentified reporter in the community of El Valle, Canazas, Veraguas Province, on 15 May -- recorded]

[Text] [Question] What is the chief executive's opinion of the military high command's statement that the funds representing the second 13th month allotment should be given out?

[De la Espriella] I have been expecting that question about the 13th month. It is true, and I agree with General Paredes' position. The workers deserve this allotment. I think that the Panamanians deserve better living conditions more job opportunities, other important benefits. The quetion is: Is the state in a position to grant this?

It would be very easy for me, as president, to agree to the 13th month payment. Some time ago we met with various economic, social and government groups to analyze the effects that the payment of this allotment would have on the country, the country's economy and our social security.

It would be irresponsible of me to give a quick and facile answer, without having all necessary information at hand. Some 8 or 9 days ago, we said that we were going to hold a general state council meeting to discuss all necessary considerations and the recommendations that will be made to the government on this issue.

I certainly don't want to commit myself with a response at the moment, for we don't have all of the necessary information to give the citizens an answer that reflects the true situation. Offhand, I can say that the initial impact of distributing these funds now would be an increase in unemployment.

[Question] Mr President, what about the recommendation on the labor code and the housing law?

[De la Espriella] Well, these are all issues of concern that the government is studying in its efforts to resolve the nation's problems. This is being assessed and considered. Remember that the government can only make recommendations to the legislative chamber, which must make the final decision on issues of this nature. We will make considered and responsible recommendations. I repeat. This is not a matter that can be dealt with strictly in terms of the current moment; the future of the nation is involved.

[Question] Mr President, the unemployment index is quite high; will emergency measures be introduced?

[De la Espriella] The unemployment index is high right now because of the low economic activity resulting from national problems and related world problems at the moment. The government, my government, has made great efforts from the outset to resolve the social problems affecting us.

[Question] Mr President, every day the rumors of possible cabinet changes increase.

[De la Espriella] They are just rumors. I cannot say yet whether or not there will be cabinet changes.

[Question] Mr President, what about General Paredes' definite resignation, which he said he will present in the first half of August?

[De la Espriella] I told a journalist this morning on the subject of General Paredes' resignation that he has presented it several times. He has declared his desire to resign, and we cannot hold him or any other public official against his will. That's a very personal decision by General Paredes, and on this occasion the resignation is irrevocable.

[Question] Thank you, Mr President.

[De la Espriella] Look, this is a dramatic situation for me. I cannot hide my pain over the situation that these poor Panamanians, practically abandoned to their fate, are enduring. I know that it looks that way.

You know that the government has been working hard to provide health care, roads, water and technical farming assistance. This is a cultural problem that dates from many years back. It is not a new problem for Panama. It is a problem that concerns all Panamanians, not simply the current government, the most recent government or governments to come. This is a problem of Panamanian awareness. We live, thank heaven, in a paradise; we must look around us. There is Central America, the region, the world. There are floods, quakes, devastation. Our blessed land is now enduring a drought that is nearly 7 months old. Its result has been that these people, who are subsistence-level farmers, have now lost their crops and have nothing to eat, having already eaten the few animals they had.

The government is doing everything possible, with its current resources, to help them. But this is only a palliative measure. The problem is one of systems that must be rectified. We must put an end to the injustice that these people are enduring. This is a task for all citizens, for the entire nation.

I repeat: It is necessary that we learn about what is happening around us. These are not easy times and the future cannot be predicted. Realistically, but without pessimism, we must prepare ourselves for difficult situations, because the world is going through a hard time.

[Question] Does the National Government plan to make a proposal?

[De la Espriella] We are working very hard on that.

NICARAGUAN DIPLOMAT'S ACTIVITIES CRITICIZED

PA161928 Panama City MATUTINO in Spanish 16 May 83 p 8-A

["Moyolandia" column by Harmodio Icaza: "Monday's Notes"]

[Excerpt] 1. The quick disappearance of the Nicaraguan diplomat who used to send the communist propaganda to Father Allan in Volcan for distribution in the literacy centers binds the Panamanian Government to take a close look both at the number of diplomats accredited to Panama and at their activities.

2. The action by the Nicaraguan communist constituted an insult to our hospitality; an abuse of his status as a diplomat, meddling in Panama's internal affairs; and a violation of our sovereignty. The protest note from our Foreign Ministry to the Nicaraguan communists must be just as clear.

3. Everywhere in the world, and even in countries that have socialist governments, like France, Russian diplomats and "entrepreneurs" are being kicked out because of espionage activities. I think we should pay more attention to the Russians of the Lada automobile firm. Besides, the cars themselves are not exactly the eighth wonder of the world.

4. Panama should also make a review of the personnel of each embassy accredited here and tell those countries that have excessively large staffs to reduce them, particularly if our relations don't justify it.

COMMISSION SAYS CANAL LEVEL 'CRITICALLY LOW'

PA160438 Paris AFP in English 0415 GMT 16 May 83

[Text] Panama City, May 16 (AFP) -- The water in the Panama Canal may hit a critically low level because of drought, endangering traffic through the waterway, the Panama Canal Commission said here Sunday.

Despite rain in the west of the country, the water level of Lake Gatun -- which, along with Latin Alajuela, feeds into the canal -- has dropped to 7.5 meters (25 ft). This time last year the lake was 20 meters (65 ft) deep.

Drought has caused problems for navigation in the canal for the past seven months.

Meanwhile, lack of water has forced authorities to ration drinking water and electricity in central Panama.

COSTA RICA

CONTADORA OBSERVERS MAY VISIT BORDER THIS WEEK

PA161632 San Jose Radio Reloj in Spanish 1200 GMT 16 May 83

[Text] Security Ministry officials have reported that some of the observers appointed during the meeting of the Contadora Group may visit some areas of the Nicaraguan-Costa Rican border this week.

There is general agreement that little will be achieved through this because not even the Civil or Rural Police have been able to detect the presence of counterrevolutionaries who, according to the Nicaraguan Government, are operating in our country. However, this will permit observers to verify that President Luis Alberto Monge's government is genuinely interested in preventing any harassment of the Nicaraguan people from Costa Rica.

EL SALVADOR

PRESIDENT MAGANA SPEAKS ON NEW TAX BILL

PA140124 San Salvador Domestic Service in Spanish 0200 GMT 12 May 83

[Speech to the nation by Salvadoran President Alvaro Magana; place not given -- live]

[Text] Salvadoran people: Some weeks ago I presented a bill to modify existing tax laws for the honorable Constituent Assembly's consideration, with the objective of increasing the public income. On this occasion I want to comment on the motives that led to this bill.

First, I have to refer to the country's general economic situation. As you all know, for approximately 4 years we have been experiencing a difficult economic situation. This situation is characterized basically by an imbalance in the foreign trade sector, caused by the increase in the cost of our imports and a considerable decrease in the value of our exports. This problem is linked to the low price of coffee and to the world economic recession and the high cost of imports, caused fundamentally by the inflationary trend in developed countries and the rise in the cost of oil.

This has generated a deficiency in our means of payment, which has been manifested in the foreign exchange shortage that we have suffered in the past few years. Some corrective measures have been attempted with the objective of decreasing imports and increasing exports. However, the possibilities have been limited because the structure of our imports rests basically on the importation of raw materials and intermediate merchandise for agricultural and industrial production. Although we have restricted the importing of consumer goods, we have not achieved significant results in decreasing the cost of imports.

In addition, the value of our exports depends fundamentally on the prices of our three basic products, which unfortunately have decreased considerably in the past few years; particularly coffee. This economic situation, which has created problems for and imposed sacrifices on all Salvadorans, has had significant repercussions in the area of public finance. The central government's budgetary situation has been significantly affected by this general economic situation.

To sum up the situation, the general economic situation has affected the country's fiscal status, specifically in a decrease of our public income and in the consequent difficulty in decreasing the public expenditures. This has generated a budget deficit that we managed to keep at not-alarming levels last year and that we hoped to maintain at the same level this year. However, the economy's decline in the past few months foreshadows a budget deficit of a magnitude that would have very unfavorable results for the country's economy.

Under these circumstances, the only way to achieve a balanced budget or at least to decrease the total budget deficit is either to decrease public spending or increase income. Our first step in approaching this problem has been to try to result public spending. However, the structure of our budget expenditures precludes this. It is enough to say that over 90 percent of the operational expenditures, that is, some 1 billion colones, goes for the salaries of public employees, and reduction of this would bring unfavorable consequences, such as unemployment and other problems. Practically all capital investments rely on foreign financing, which is the determining factor that has, in part, allowed us to correct our foreign trade inbalance.

Under these circumstances, the possibilities of decreasing public spending are limited. Although the Finance Ministry last year issued instructions to the different state agencies to cut their 1982 budgets by some 10 to 15 percent, and all the state agencies did indeed cut their budgets, there are, however, two types of expenditures in which decreases are not possible. One of them is the increase in interest payments on the public debt. The increase of the public debt in the past few years has meant substantial increases in interest payments, which have practically eliminated the savings that have been achieved in other parts of the budget.

Moreover, in our current emergency situation, national defense expenditures cannot be reduced. On the contrary, we have been obligated to increase them, just to preserve the status quo. In these circumstances, the only possible corrective measures, the only way to reduce the fiscal deficit, must be through public incomes; in other words, we must increase income from taxes.

In this area I must mention particularly the taxes that have been chosen for inclusion in the bill that is currently being considered by the honorable Constituent Assembly. Some years ago, a significant portion -- over 50 percent -- of public income was derived from taxes on foreign trade; that is, taxes on imports and exports. At present, there is practically no possibility of increasing income from those sources. In the case of import taxes, limitations on available foreign exchange have forced us to prohibit the importing of luxury goods, while intermediate-level goods for production and raw materials are subject to very low tax rates. So much for import taxes.

Export taxes are basically determined by the international price of the produce. In this case, the most important tax is that on exported coffee. Unfortunately, the price of this product has fallen to significantly lower levels than in previous years. Therefore, the chances of increasing our export taxes are determined by conditions that are totally outside of our control.

An attempt to increase income and capital gains taxes, that is, taxes on the income of corporations and individuals and taxes on capital, would also have undesirable repercussions. First of all, those are the taxes that are technically best formulated and administered. In addition, despite the general economic situation that I have described, those taxes have remained at reasonable levels that are comparable to the levels of previous years. Thus it would not be advisable to seek to increase public income by increasing either of those two taxes.

Moreover, it is important that the effort that the government and the private sector are making to bring about the country's economic recovery should not be harmed by an increase in those taxes which have a direct effect on businessmen's willingness to resume or increase their activities in pursuit of economic reactivation.

In these circumstances, the only alternative is to increase taxes on internal transactions. The most important one of these that has been submitted to the Constituent Assembly for consideration is the stamp tax. We have to admit that the stamp tax is anachronistic. The increases that we have proposed to the honorable Constituent Assembly will affect the prices of a large number of products. However, we feel that, in the present state of the economy, the proposed 3-percent increase will not result in excessively high price increases at this time.

On the other hand, it must be recognized that this tax, as I said before, is anachronistic and should be modernized. However, it is similar to the tax on the press that has existed in Honduras for approximately 20 years and is of the same nature as the tax on aggregate value that was recently established in Guatemala.

Therefore, regardless of the negative consequences and repercussions, which we will never attempt to deny, this is practically the only option open to us.

I also wish to refer to a matter that has been brought up in comments on the bill -- the matter of seeking other alternatives. I have already explained that the possibilities of reducing expenditures are limited because of the circumstances that I pointed out. However, if there were a political willingness in this regard, a reduction of some 20 percent in the wages of government employees would have exactly the same effect on the budget as the bill that has been presented. However, we believe that the negative effects of such an action are less desirable than those of an increase in taxes. It is in these circumstances that I come to ask for the understanding of the Salvadoran people and that of the representatives in the Constituent Assembly, to have the bill considered and approved because, while it is true that it implies sacrifices on the part of the Salvadorans, it will permit us to continue to implement the policy of financial reorganization that has allowed us -- despite the difficulties inherent in a war economy -- to maintain a sitation that is considerably better than that of other countries.

I would be the last person to impose sacrifices on the Salvadoran people unless they were absolutely necessary. However, the foreseeable consequences of a failure to reduce the budget deficit in the manner that we have proposed would have much more negative results for Salvadorans. One easily predictable result would be difficulty in paying the wages of government employees.

On the other hand, from another perspective, a considerable deficit on the order of 600 to 700 million [no currency given] -- which would be the result of a failure to approve the proposed taxes -- would mean an accelerated devaluation with all its consequences, which would be much more negative for the lower income sectors than the sacrifice involved in this tax increase.

Therefore, that is why I come now before the people with all the frankness and honesty with which I said on 2 May of last year that we should not expect solutions overnight and that sacrifices would be required to improve our economic situation. With that same degree of honesty and sincerity, I come to ask for your understanding and to ask you to accept this sacrifice that will allow us to begin a vigorous recovery in 1984 under the new government that the people will choose in the coming elections. Thank you very much.

GOVERNMENT ECONOMIC POSITION CALLED INCONSISTENT

PA150322 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 13 May 83

[Station Editorial: "The Contrast That Confuses"]

[Text] While on one hand, the nation's private enterprise -- the motor nerve of everything that is produced by Salvadorans -- is making a tremendous effort to survive in the wake of all it has endured in the past few years as a result of the situation prevailing throughout the country; on the other, the government sector -- whose primary function should be to provide all of the necessary mechanisms so that the private sector may meet its commitments -- is talking about its desperate economic plight, which could shortly result in a true calamity, according to statements made by high-ranking members of the Government of National Unity in the past few hours.

Obviously, the government must protect the many public services that the state is required to provide, such as health, education, security and the many other things that have been extended to us to a greater or lesser degree.

However, we find it totally inconsistent that private enterprise -- which has no support from anyone or anything except perhaps the aid that it will soon obtain, reportedly and hopefully, from the 42 million colones that will be contributed by the U.S. Government -- has been firmly and safely moving forward along the path of national production, thereby sustaining thousands of Salvadorans who, thanks to God and private initiative, are still fortunate enough to have jobs; while at the same time we hear the Salvadoran president declaring that it is very urgent that we approve a fiscal tax law, as if what the people have had to endure so far has been completely pleasant or even bearable.

The government naturally needs to meet its domestic and foreign commitments, but, also naturally, it is not possible to continue to hurt the people who, unfortunately, have had to endure a series of bloodbaths that has brought them to an increasingly desperate situation. The fact is that, no matter how a new tax is applied, in the final analysis it must obviously be paid by the patient and long-suffering Salvadoran people.

There is talk of adjustments in public administration, and the people are asked to show great understanding under the present circumstances, but nothing is said about the incentives that might be given these people, let alone the incentives that could be offered to private enterprise so that it can retain the strength to continue to progress without crying out for the help that it so sorely needs and has not found anywhere.

It is therefore very strange that all of the mechanisms available to the government to obtain income should be failing at this time.

ACCORD REACHED TO RESUME TRADE WITH GUATEMALA

PA161527 San Salvador Radio Cadena YSKL in Spanish 0035 GMT 16 May 83

[Excerpt] The trade problems between El Salvador and Guatemala, which had grown worse in the last few days, were resolved over the weekend through talks between the economy ministers and officials of the central banks and the two countries.

Guatemalan Economy Minister Julio Matheu arrived in El Salvador accompanied by other officials to talk with his counterpart, Jose Manuel Pacas Castro, and seek a solution to the problem of the closing of the border to Guatemalan products.

Pacas Castro said that a final agreement has been reached in regard to free trade with Guatemala. Here is a statement by Economy Minister Pacas Castro: [Begin Pacas Castro recording] Good evening, Salvadoran people. I cordially greet you. Thanks to YSKL's kindness, I have this opportunity to inform you about the agreements that were reached today at the meetings between the delegation of the sister republic of Guatemala headed by Economy Minister Julio Matheu and Jorge Tello, vice president of the Bank of Guatemala, and the Salvadoran delegation headed by Alberto Benitez Bonilla, president of the Salvadoran Central Reserve Bank, and myself as economy minister.

Today's agreements are momentous because, effective tomorrow, they permit a resumption of free trade between Guatemala and El Salvador, which had been interrupted for various reasons in the last few days. [end recording]

ASSISTANT BISHOP CRITICIZES BIASED REPORTAGE

PA162307 San Salvador Radio Cadena YSU in Spanish 1315 GMT 16 May 83

[Text] San Salvador -- Political violence in El Salvador left an official toll of 384 dead between 6 May and 12 May, Msgr Gregorio Rosas Chavez, the assistant bishop of San Salvador, said in his Sunday homily.

Holding the mass in place of Msgr Arturo Rivera y Damas, who is out of the country, Archbishop Rosas stated with irony that the victims could be considered a gift to the Salvadoran mothers, who commemorated their national day on 10 May. He commented that the week's most shocking incident involved Cinquera, in Cabanas Department, where the horror of war and the heavy fighting between the guerrillas and army forces practically eradicated the community. He also made reference to the massacre at Mejicanos, where the bodies of eight workers and students were found in two trash dumps.

Rosas Chavez condemned what he described as acts of terrorism, exemplified by the burning of a farm in San Miguel Department and by the actions of the so-called death squads, which left a victim's body in a hotel parking lot here last week.

The Archbishop also referred to certain cases of abuse of power as terrorism, noting that several such cases will be presented to the Salvadoran military authorities next week for resolution.

While stating that the church joined in the celebration of international communications day, the archbishop leveled veiled criticism at the international correspondents operating in El Salvador. He indicated that many international parliamentarians and political figures have a mistaken impression of El Salvador as seen in the lack of objectivity of some reports sent abroad. Rosas Chavez laid the blame on foreign correspondents whose only interest in coming here is to secure publicity for their sponsoring media or for the concepts of the politicians who send them, and who have no real interest in learning the truth about what is happening in the country.

PDC CALLS FOR ELIMINATION OF DEATH SQUADS

PA161448 San Salvador EL DIARIO DE HOY in Spanish 13 May 83 p 39

[Paid advertisement by the Christian Democratic Party of El Salvador: "The Death Squads Must Disappear Once and For All"]

[Excerpts] Once again, the sinister secret anticommunist army has made a threatening appearance. Its existence, in addition to being a threat to the lives of hundreds of Salvadorans, represents an insurmountable obstacle in the way of achieving peace in our country.

The cowardly threat that was made today against Mauricio Mazier, our fellow deputy, falls within the murderous strategy that the extreme rightist groups seek to implement in order to demoralize the people before the announced upcoming elections.

Our country's international image and the foreign military and economic aid that is necessary to overcome our serious problems are linked to respect for human rights; in response to the promulgation of an amnesty law, these terrorist groups are committing murders and making threats with absolute impunity, thus becoming the worst obstacle in the way of achieving peace.

Meanwhile, there continue to be cases of abuse of authority, high-handedness, and political repression by certain members of the armed forces and civil defense units.

In such a state of violence, we can do no less than appeal, before the nation, to the president of the republic and commander in chief of the armed forces, and to the minister of defense and public security, urging that the government and the armed forces take appropriate measures within and outside those institutions to wipe out this terrorism that is sowing panic among citizens to the point of giving the impression that there is no longer a chance for a democratic solution; because it is not possible to carry out a free electoral process in a climate of terror and because the armed forces could not serve as the guarantor of the people's participation in organizing, campaigning and other activities prior to the moment of the great decision, the free choice their rulers.

For this reason, the Christian Democratic Party [PDC], in the name of our long-suffering and threatened people, asks you, Mr President, to take specific actions to disband those death squads immediately, and also to take a pledge to hold truly free elections that will permit all political parties to act under equal conditions. To achieve this, the statements made by the minister of justice during his 7 May speech must be implemented. He mentioned "an accelerated, profound and truthful position of respect by the high command, and consequently by the armed forces, for the human rights of all the Salvadoran people, not because of foreign demands, but by conviction." For this, it is necessary to reduce abuses of authority and unpunished crimes.

FMLN CLAIMS U.S. PILOTS FLY BOMBING MISSIONS

PA142150 Managua Domestic Service in Spanish 0300 GMT 13 May 83

[Text] San Salvador -- The Salvadoran rebel forces reported today that a group of 15 U.S. pilots permanently participates in bombing and reconnaissance operations in the areas of El Salvador under the control of the FMLN's guerrilla forces.

According to a FMLN war report, supersonic planes, probably F-5's have strafed the Guazapa front and dropped white phosphorus bombs in the last 24 hours.

The FMLN military report added that the Salvadoran guard is using minefields in the Guazapa area to ensure that the guerrillas will not advance against the army, thus endangering the lives of the area's civilian residents.

HAVANA ROUNDS UP LATEST FMLN ACTIONS, NEWS

PA160034 Havana International Service in Spanish 1600 GMT 14 May 83

[Text] FMLN guerrilla columns attacked the military garrison at La Laguneta, Santa Ana Department, routing the 50 soldiers and 20 paramilitary troops that defended the post. The rebels recovered large amounts of war supplies in the action.

SALPRESS reported that the rebels also blew up four high voltage towers in the canton of El Delirio, Usulutan Department.

Other reports reveal that the regime's air force bombed densely populated areas near Guazapa Hill with chemical products. These genocidal actions were directed primarily against the cantons of Miranda, San Carlos, La (Escopeta), El (Chaparral) and El Corazal. Meanwhile, reports from San Salvador indicate that the regime has dismissed some 60 workers from the Supply Regulation Institute, IRA, on the pretext that there were insufficient funds to pay them.

During a debate at the so-called Constitutional Assembly of El Salvador, the president of this organization, former Major Roberto d'Aubuisson, accused Christian Democratic leader Jose Napoleon Duarte of being an accomplice in the crimes committed by the government between 1980 and 1982. In turn, Duarte charged D'Aubuisson with the March 1980 murder of Salvadoran Archbishop Oscar Arnulfo Romero. The news reports state that former President Jose Napoleon Duarte and former Major d'Aubuisson have continuously charged each other with murder and other crimes in an altercation that is clear evidence of the increasing contradictions prevailing in the so-called Constitutent Assembly.

Finally, the Salvadoran Christian Democratic Party has issued a communique charging that the sinister Secret Anticommunist Army has again made its threatening appearance in El Salvador, murdering hundreds of people in recent months.

RADIO VENCEREMOS REPORTS ON FMLN ACTIVITIES

Fighting in Cabanas

PA101912 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 10 May 83

[Text] We have received additional information about the great victory achieved by our revolutionary army on the Modesto Ramirez Central Front. In the town of Cinquera, and at different positions near the strategic area of the Cerron Grande Hydroelectric Dam, we recovered many weapons and inflicted many casualties on the enemy forces, according to first reports received from Cabanas Department. Our forces recovered 75 rifles, one 60-mm mortar, one 81-mm mortar, one barrel for a .50-cal machinegun, four PRC-77 radios, one M-79 grenade launcher, 15,000 rounds for M-16 and G-3 rifles, and approximately 5,000 rounds for .50-cal machineguns.

During the fighting in Cabanas department we also recovered hand grenades, Claymore mines and many other war supplies. We are told that it has been confirmed that the dictatorship's forces suffered 70 dead and many wounded soldiers, most of whom were evacuated by armed forces helicopters. These operations were led by Commanders Ramiro and Ricardo. Radio Venceremos is waiting for an official war report on these victories achieved by our revolutionary army in Cabanas Department by the heroic Modesto Ramirez Central Front.

Attention. Attention. Reports coming from Cabanas Department add new figures to the partial results disclosed concerning the great victory achieved by our revolutionary army at Cinquera and positions near the Cerron Grande Hydroelectric Dam. In addition to the many rifles, the mortars, the ammunition and the other war supplies recovered from the enemy, we are told that our forces have taken 20 prisoners of war. We repeat, 20 members of the dictatorship's armed forces have been taken prisoner by our revolutionary forces. We have also said that 70 enemy soldiers were killed in the heavy fighting that has proved victorious for our forces in Cabanas Department.

Prisoner Alleges U.S. Massacre Role

PA122156 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 12 May 83

[Excerpts] On 7 December 1981, some 4,500 of the dictatorship's soldiers, including the Atlacatl Battalion trained by U.S. adviers, launched a vast operation against our positions in Morazan Department. The enemy's operation was called "Hammer and Anvil." The noncombatant population was regarded as one of the major, vital objectives in developing this operation.

Hundreds of peasants, many of them members of evangelical sects, lived peacefully in the territories controlled by our forces, remaining neutral in the conflict. When the "Hammer and Anvil" operation concluded, only eight of our men had been killed and a few others injured. However, more than 1,000 peasants from among the population not organized within the FMLN had been horribly massacred by the dictatorship's forces. Radio Venceremos immediately launched a vigorous campaign to denounce this genocide.

Subsergeant Marco Tulio Moran Burgos, who was captured by the FMLN forces on 22 April in Potonico, Chalatenango Department, from the Sierpe Battalion, is a former member of the Atlacatl Battalion, trained by U.S. advisers. He participated in the army's operation in Morazan Department in December 1981, which culminated with the massacre of over 1,000 humble peasants.

In an interview granted to our companeros in Chalatenango, Subsergeant Moran Burgos provided the details of this massacre perpetrated in December 1981.

Subsergeant Moran Burgos said: After almost everything had been destroyed in Mozote, two gringos arrived. As they walked past me, they told me to accompany them. While we were walking we saw a child alive and crawling. One of the gringos, who was taking down notes, grabbed the child and threw him where most of the dead were lying.

All of a sudden, we saw a pregnant woman and a child. One of the gringos told one of the officers who were with us to help him light an oven that we found nearby. Once ready, Moran Burgos continued, the gringo grabbed both the child and the woman and put them into the oven to burn them alive.

We didn't like this, the subsergeant added, because we thought that they might also do this to our own families, since one's family spreads everywhere. When we heard the woman and the child burning in the oven scream, we rushed to throw water on them in order to put out the fire. The gringo told us not to put out the fire because it would be used to destroy all the people.

Subsergeant Moran Burgos added: In all, there were four gringos with the battalion. Two were with us and the other two remained in the command post. There were several gringas also. The gringos watched all that we did and took down notes. The gringos gave their orders through signals because they spoke only English. They kept watching us to see if we followed the orders and taking down notes of every detail.

More on Cabanas Action

PA150154 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 14 May 83

[Text] The dictatorship's troops are being routed both in the eastern and central sectors, and in the west. The following information was sent by our companeros from Santa Ana:

On Friday, 13 May, continuing our "Commander Melida Anaya Montes, We Swear to Win" campaign, our forces simultaneously attacked enemy positions in (La Cuneta), in the Santa Ana area, and in Guarnecia, in the Texistepeque area. The dictatorship's forces were totally routed by our revolutionary onslaught. Our forces inflicted two dead and several wounded on the enemy. We recovered two U.S.- made M-16 rifles, ammunition and other war supplies in this action. Forward, Santa Ana! Continue to strike at the dictatorship's demoralized troops!

Foloowing this report from heroic Santa Ana, we have additional information that the dictatorship's forces, severely beaten in Cinquera, have also been dealt new blows in further fighting in Cabanas Department. Reports indicate that our forces continue to fight troops from Santa Ana, Sonsonate, Sensuntepeque, and the artillery brigade. These units were regrouped by the dictatorship following its defeat in Cinquera, in areas near the Cerron Grande Hydroelectric Dam.

On 10 May, the enemy made its first attempt to take Azacualpa Hill, northeast of Cinquera. This attempt was defeated by our forces and the puppet army was forced to withdraw, taking with it eight dead soldiers, including an officer.

On the same day, at 1900, we launched an attack on the enemy's positions using 81-mm and 60-mm mortars. We forced the dictatorship to move its troops toward Cerro La Mesa, where we inflicted an undetermined number of casualties.

On 11 May, the puppet army made a second attempt to advance toward Azacualpa Hill, but our forces surrounded and ambushed the enemy. As a result, we again routed them. The enemy troops fled toward the Tejutepeque-Jutiapa highway. We inflicted 20 casualties, including some dead. Thus, they have suffered 20 additional casualties in Cabanas Department.

In their haste to withdraw, the enemy left behind several ammunition belts for M-60 machineguns and a shell for a 90-mm cannon, which we will gladly send back to the troops of General Vides Casanova, the general of immediate retreat.

This is the state of the morale among troops organized by Colonel Sigfrido Ochoa in Cabanas; and according to the U.S. advisers, he was one of their best men. To Cabanas, a territory in combat, a territory of victories, our revolutionary salute! Forward, Cabanas! We will achieve further victories over the enemy!

Attacks on Economic Targets, Highway

PA151319 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 15 May 83

[Text] We have continued our actions against economic targets in the country's east. Friday night, revolutionary forces harassed the enemy positions guarding the Bayer transnational company on the northern trunk highway. This transnational company's warehouses were shelled with bazookas and enemy posts were attacked with rifle fire. The enemy did not show up. We thwart Reagan's imperialist plans through sabotage.

While our forces were carrying out this action against the Bayer company, FMLN forces seized control of the coastal highway at (Jobal Hornos), area of San Agustin Tres Calles in the country's southwest; they set up a roadblock and sabotaged a vehicle. The enemy did not show up. Our revolutionary forces withdrew following this action, which took place hours after the enemy's unsuccessful and futile operation against Usulutan with two elite battalions.

Elite Battalion Defeated

PA151349 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 15 May 83

[Text] The people's militias have stopped the gringo battalion in Morazan.

We had already reported that the Ramon Belloso Battalion had begun from Morazan following 2 useless and bitter months of failure. We have now received a report from Cacahuatique Hill here in Morazan. The report says that during the withdrawal from this department, our militias clashed with these U.S.-trained troops and inflicted 3 dead and 14 wounded on them. We repeat: Our revolutionary militias engaged the Belloso Battalion in combat in the foothills of Cacahuatique Hill and inflicted 3 dead and 14 wounded on it.

This closes with bullets a sad chapter in the history of a battalion which was supposed to have been made invincible by training it in the United States, providing it with the best weapons, and turning it into the dictatorship's pet battalion. However, our militias have demonstrated to it that valor, supported by the rightness of a cause, can't be purchased in a pharmacy. Our militias showed imperialism that the more battalions it trains, the more battalions we will smash.

New Taxes Opposed

PA151548 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 15 May 83

[Commentary: "The Tax Law Against the People"]

[Text] Recently, President Magana announced a new law to impose taxes on staples. With this law, the dictatorship seeks to unload the burden of its war economy on the people's backs because the millions of dollars in U.S. aid are no longer enough for it to solve the country's profound economic crisis.

A short time ago, the U.S. Government donated $42 million to the Salvadoran Government through AID. In addition, North Americans have appropriated approximately $65 million in military aid for the Salvadoran regime. However, this is not enough to resolve the country's deep economic crisis. That is why the Magana government, as a faithful representative of the oligarchy's interests, has chosen to impose more taxes on our people rather than harm the interests of the privileged high classes.

The government decided not to tax the oligarchy's imports and exports even though the very members of the oligarchy are getting huge profits at the people's expense. Upon announcing this new tax law against our people, Magana cynically said that the defense budget has been increased. In other words, this means a larger budget to commit genocide against our people. This new tax law will further worsen the critical economic situation of the vast Salvadoran majority because the prices of staples will increase even more. This again demonstrates the Magana regime's subservience to the interests of the oligarchy and the regime's antipopular nature.

Our people are on a struggle footing against this oppressive regime in order to establish a government that will be a legitimate representative of the interests of the vast majorities.

If the dictatorship tries to place the burden of its war economy on our people through this law, the FMLN will, as a legitimate response, step up its sabotage actions to make the dictatorship pay dearly for the genocide. In view of the new taxes on our people, we will sabotage the oppressors' war economy more than ever.

Arce Zablah Brigade Extolled

PA151615 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 15 May 83

[Excerpt] The Rafael Arce Zablah Brigade is composed of four battalions: the Commander (Mario Chamagua) Battalion, the Commander (Francisco Martinez) Battalion, the Commander (Agustin Sica) Battalion, and the Commander (Guillermo Posada) Battalion. The Brigade also includes the (Aulio Armijo) Special Forces.

The Rafael Arce Zablah Brigade is composed of forces of the FMLN'S army. Its members are men and women seasoned in combat, tempered through discipline, and molded by the naturalness and humility of every good revolutionary.

The brigade's fighters are the expression of the new homeland. They are the best of our people's children. There is no greater pride than to belong to this brigade.

Salvadoran youth, our trenches are in Morazan. There is a place for you in Morazan. Join the Rafael Arce Zablah Brigade's ranks and be part of the victory. There is no greater pride than to participate in the conquest of freedom and justice for our people.

Response to Government 'Lies'

PA161630 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 16 May 83

[Excerpts] Following our great victory in Cinquera, the dictatorship has tried to hide the crushing defeat it suffered by lying. One of the most absurd lies is that the FMLN executed soldiers and townspeople in Cinquera. We have this report from Cinquera on the dictatorship's lies.

On the morning of 13 May, the FMLN released 19 soldiers who had been taken prisoner of war. The release took place in the town of Tenancingo. The prisoners were captured during the operation called "In Farabundo Marti's homeland, there is advance with new victories."

The soldiers were captured after bitter fighting in the Cinquera and Las Mesas areas, where the enemy had positions. The release was implemented in line with the FMLN principle of respecting the physical and moral integrity of prisoners.

We also want to report that on 13 May the enemy left Azacualpa hill, which it was able to occupy on the afternoon of 12 May at the cost of many casualties.

Viva our "Commander Melida Anaya Montes, We Swear To Win" military campaign! Viva the FMLN! United to win until final victory, revolution or death, we will win! This report was sent by Commanders (Ricardo Gutierrez) and (Ramiro Vasquez).

This is how the FMLN complies with the Geneva agreement on war prisoners. This is how we make the Armed Forces Press Committee and the official Human Rights Commission -- the so-called impartial eye -- swallow their lies.

RADIO FARABUNDO MARTI COMMENTARY ON FMLN

PA102000 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 5 May 83

[Text] [Passage indistinct] thousands of Salvadorans. Meanwhile, following the quiet dismissal of General Garcia, Vides Casanova began his large-scale dollar hunt. Vides Cazadolares ["Dollar Hunter," a play on Casanova's name] hardly had time to sit on the chair of puppet ineptitude when Col Adolfo Blandon was already showing his head rapaciously to grab his part of Ronald Reagan's pinata.

In principle, this means two things for the Salvadoran people: First, an intensification of the puppet high command's deliberate effort to prolong the war, simply so that each of them can grab his share of the dollars that Reagan is stealing from the U.S. people; second, a large-scale swindle of the world public, since the replacement of the spent puppets who used to lead the puppet armed forces is intended to cover up the Reagan administration's increasing involvement in the direct leadership of the genocidal war operations.

Within the framework of this free-for-all by the puppet regime, Magana is [passage indistinct] continues trying to conceal his madness under a political hoax created by U.S. publicists, in line with which Colonel Blandon is now displaying his abilities as a buffoon. In the regime's free-for-all, there are three life-savers for Blandon, who is better known now, following his most recent military adventures, as the castaway of Guazapa, where, according to Blandon -- and this is what he is trying to make the world believe -- he launched a three-phase offensive; when in truth he barely managed to badly complete two of those phases, from which he emerged in a sorry state. Guazapa, we repeat, has revealed what the shipwrecked Blandon's three lifesavers are. Dear listener, we won't tire you any further.

Commander Ricardo Gutierrez, chief of the general staff of the Peoples Liberation Army and member of the joint FMLN command in Guazapa, will review Blandon's intentions in light of his military defeats at that glorious hill, which, today more than ever, is and will continue to be an FMLN bastion, a bastion of our homeland's new army.

We will only say now that the shipwrecked buffoon has three wishes: First, to organize his own [word indistinct] around a new life elite battalion, the Arce Battalion; second, to give a firm gorilla-like embrace to Gen Gustavo Alvarez Martinez, Reagan's buffoon in Honduras, by sending the battalion [passage indistinct].

[Gutierrez recording] This is what I might say about Blandon's statement. First, according to him, he planned a three-phase offensive. The first phase would cover the southern zone in El Salvador, the second would cover the northern zone, and a third phase would allegedly be carried out to maintain control over Guazapa Hill.

Blandon's remarks have a deeper meaning, which, it seems to me, goes beyond the mere offensive launched in Guazapa, Basically, Blandon is interested in gaining the U.S. leaders' confidence. He wants to be the standard-bearer in the implementation of the new tactic for the counterinsurgency war, which the Yankee leaders have tried so hard to carry out.

In this regard, Blandon seeks, with his statements, to suggest that [passage indistinct] 30 dead and wounded. In effect, the tactic [passage indistinct] have been selected to go train in Honduras as one of the elite battalions. Blandon wants to arrive with this letter of presentation. That is why he put Lieutenant Colonel (Cepeda) at the head of this operation [passage indistinct] the United States, and the two others; in an effort to find a new star, have set up a whole propaganda machinery that is not in keeping with reality. [Words indistinct] event though they put some five battalions there, they did not achieve their goals at all.

The planned third phase [several words indistinct] positions they currently occupy. This is what I can say on the subject. Regarding the second charge, in which Blandon said that the FMLN does not have the support of the masses, this is a well-known chorus that they have maintained throughout all of the offensives since the latter part of 1980 and early 1981. We, and all of our people, have seen for ourselves that the masses have always marched alongside our armed forces, carrying forward precisely what we considered, from the beginning, the struggle of an entire people.

The masses, with the few instruments at hand, confront the enemy in combat. They are also very active in contributing to [words indistinct] the enemy in the criminal offensives and massacres that they have carried out. This is what I can say regarding the statements of Blandon, [word indistinct]. [end recording]

You have just heard their names: Lieutenant Colonel (Cep da) and Major (Pineda). Their two names rhyme, but their debut in Guazapa at the head of the Arce Battallion, the new presumably elite battalion that reportedly would go to Honduras for training, represented a complete failure of the much-touted new tactics. The Arce Battalion still has quite a lot to learn, and neither Blandon, (Cepeda) nor the little puppet (Pineda) seem to have learned anything, if one is to judge from their lies to the national and international media. Commander Ricardo Gutierrez has just refuted their statements in an overwhelming manner.

Regarding the Honduran Army as host and ally of the Salvadoran puppets, it is best not to say a word. There are the revolutionary victories at El Amatillo to show Gustavo Alvarez Martinez that he should start getting his act together. There are no new tactics that can pull the decrepit puppet army out of the mire. The new tactics, ingenuity and military victories are entirely on the side of the FMLN and the new army of the fatherland [words indistinct].

GUATEMALA

POLITICAL PARTIES CALL FOR ELIMINATING NEW TAX

PA162024 Panama City ACAN in Spanish 1748 GMT 16 May 83

[Text] Guatemala City, 16 May (ACAN-EFE) -- Two rightest political parties today accused the government of "literally twisting" the initial draft of the new tax on aggregate value, which will go into effect on 1 July, and called for the elimination of this tax. The Nationalist Authentic Central (CAN) issued a communique demanding that this tax not go into effect, and noting that the original purpose of this tax was to replace several other unworkable taxes that facilitated "corruption and evasion."

The communique noted that in addition to this tax the government has prepared a series of other taxes -- on revenue, savings, and on payments abroad and to enterprises -- and this will serve "only to discourage investments, reduce fiscal revenue, and promote inflation and unemployment."

The National Liberation Movement, meanwhile, also called for the elimination of the new tax and stated that the regime's explanation of the tax "was meant to silence potential opposition," but will do no good.

In view of the protests resulting from the new tax, the president has promised, according to sources close to the presidency, that this week he will make an announcement on the problems and consequences of the tax.

HONDURAS

ISRAELI ENVOY DENIES OFFER TO SELL WEAPONS

PA161955 Panama City ACAN in Spanish 1732 GMT 16 May 83

[Text] Guatemala City, 16 May (ACAN-EFE) -- Moshe Dayan, the Israeli ambassador to Central America headquartered in Guatemala, said today that his country "does not supply weapons to Honduras."

In a statement to the morning newspaper PRENSA LIBRE, the diplomat explained that what the Israeli Government seeks is to trade Honduran coffee for telephone technology.

Dayan denied a statement attributed to him about Israel's alleged willingness to sell Honduras "the weapons it may request and need in case of an emergency."

In another development, the Honduran Embassy in Guatemala today reiterated that the Honduran Government "at no time has asked the OAS or the United Nations for a peacekeeping force to watch over its common border with Nicaragua.

A press communique released by the embassy "roundly denies" the alleged request and stresses that "Honduras is a democratic country that observes a position of neutrality in regard to Nicaragua's internal conflict." It adds, however, that the Honduran Government "is well disposed toward accepting any recommendations the 'Contadora Group' may put forth to ease tensions in the region" in order for peace to prevail among our brother countries." [quotation marks as received]

The so-called "Contadora Group" is made up of Mexico, Venezuela, Colombia and Panama. It met in Panama last week to try to find peaceful solutions to the area's problems.

NICARAGUA

HAVANA NOTES ORTEGA'S REMARKS ON PEACE FORCE

PA160356 Havana International Service in Spanish 1600 GMT 15 May 83

[Text] Commander of the Revolution Daniel Ortega, coordinator of the Junta of the Government of National Reconstruction, has charged that the United States plans to try to implicate Costa Rica in the establishment of a southern war front similar to that in the north on the Honduran border, with the intention of besieging the Sandinist revolution.

In an interview with the Costa Rican weekly UNIVERSIDAD, Ortega warned that the United States might take advantage of Costa Rica's request to the OAS for a peacekeeping force on the Nicaraguan border to send its own troops to the region.

The Sandinist leader stressed that Nicaragua doesn't feel that it is advisable to have peace forces in Central America, even though it does not believe that Costa Rice intended to pave the way for U.S. military intervention in the area. He described the attitude revealed by President Ronald Reagan when he admitted his country's intervention in Nicaragua and his plans to overthrow the Nicaraguan Government as very serious.

BORGE ON SOVIET NUCLEAR MISSILES, 1985 ELECTIONS

PA161454 Managua Radio Sandino Network in Spanish 1200 GMT 16 May 83

[Excerpts] Interior Minister Commander Tomas Borge Martinez has charged that the counterrevolutionary forces that operate from Honduras are preparing a new military aggression against Nicaragua. The war continues, but in the fighting in the border region we have been able to dislodge the counterrevolutionaries who had entered the country, the Sandinist leader added.

Tomas Borge also indicated that the counterrevolutionary bands are demoralized because they have been completely defeated by the Sandinist Peoples Army and the militias grouped in reserve battalions.

He also said that the Nicaraguan Government is waiting for the peace efforts of the Contadora Group made up of the foreign ministers of Mexico, Venezuela, Colombia, and Panama, but he added: We cannot wishfully think that the problems are going to be magically solved. We will never hold a dialogue with the counterrevolutionaries. We can hold a dialogue with the United States, which is the one that has sent them to attack us, Commander Borge said. He also called for bilateral dialogues with the U.S. and Honduran governments to prevent a war between Honduras and Nicaragua.

Regarding the alleged charges of the Reagan administration about the installation of Soviet nuclear missiles in Nicaragua, Commander Borge said that the USSR has not requested this, and that Nicaragua does not have any interest in this. He also said that Nicaragua supports the denuclearization of the Caribbean regions, and that the U.S. charges only serve to justify its aggressions against Nicaragua. Borge reaffirmed Nicaragua's sovereignty, indicating that the FSLN carried out a national liberation war to make Nicaragua independent of foreign domination.

The interior minister warned that if the Reagan Administration's aggression against Nicaragua increases, the elections scheduled for 1985 will not be held even though the government is working not only for the country's defense but also for its democratization. Commander of the Revolution Tomas Borge said: Either Reagan takes the counterrevolutionaries out of Nicaragua or we exterminate them. The interior minister spoke with journalists yesterday about the current situation of the aggressions during the visit he made to the open detention system farm for the Miskitos with Hans-Jurgen Wischnewski, vice president of the FRG Social Democratic Party.

FOREIGN MINISTER D'ESCOTO LEVELS CHARGES AT UN

PA162316 Buenos Aires LATIN in Spanish 2225 GMT 16 May 83

[Excerpts] United Nations, 16 May (LATIN-REUTER) -- The four Latin American countries that are seeking to resolve the Central American crisis have received support from the UN Security Council in a draft declaration prepared today for UN consideration. Diplomatic sources said that it will be presented to the council at a meeting scheduled to be held in the next few hours.

The text, which is circulating selectively, avoids mention of the call voiced last week by Nicaragua for separate bilateral conversations with the United States and Honduras, which both countries have rejected.

The text also stipulates that the Security Council will support continued efforts by the "Contadora Group," assisted, if necessary, by UN Secretary General Javier Perez de Cuellar. The council would also reaffirm the right of Nicaragua and of other states in the region to live in peace and security and without foreign interference.

The United States have accused the Nicaraguan leftwing government of attempting to destabilize neighboring states, indicating that the Sandinists have picked El Salvador, where leftwing guerrillas are intent on overthrowing the U.S.-supported government, as their primary target.

Addressing the council, Nicaraguan Foreign Minister Miguel D'Escoto Brockman repeated his charge today that the United States is using Somozist and Honduran guardsmen as instruments for what he termed its aggressive policy. He cited various incidents since the first council meeting on the topic last week, including an invasion by 500 Somozist guardsmen. "Our government and people believe that they have the right to a response from the UN Security Council, to put an end to these incidents and to prevent a conflict between sister peoples," D'Escoto stated.

He read a letter that he said was sent by Andrew Hung, a 14-year old from Salt Lake City, Utah, expressing dissatisfaction with U.S. President Ronald Reagan's policy and saying that if he could he would be willing to fight alongside the Sandinists. Obviously, D'Escoto said, it is not just the children who reject the "atrocities" committed by Reagan's government against the Nicaraguan people.

RAMIREZ ALLEGES U.S. ATTEMPT TO DIVERT CONTADORA

PA170003 Hamburg DPA in Spanish 2243 GMT 16 May 83

[Text] Managua, 16 May (DPA) -- Sergio Ramirez, member of the Junta of the Government of National Reconstruction, charged in Managua today that the United States "is seeking to divert" the Contadora Group in order to continue its "warmongering policy in Central America."

Ramirez said that Nicaragua will continue to support the group, which is composed of the foreign ministers of Colombia, Venezuela, Panama, and Mexico. He also insisted, however, that bilateral dialogue with Honduras is the best way to prevent war between the two Central American countries. The Sandinist leader announced that Nicaragua will send Foreign Minister Miguel D'Escoto to the foreign ministers meeting scheduled for 28 May, in which the group will continue to search for peace formulas for the region.

Ramirez said that "the United States is seeking to divert the group from its original objectives, but it will not succeed. Instead, it will fall flat on its face." He concluded by saying that the United States does not have international trust because its policy for Central America reveals "its clear warlike intentions."

LUIS CARRION VIEWS ON REVOLUTIONARY JOURNALISM

PA162137 Managua Radio Sandino Network in Spanish 1200 GMT 16 May 83

[Text] At yesterday's closing of the Fifth Congress of the Union of Journalists of Nicaragua at the Nais y Rios Auditorium of the Central American University [UCA], Commander of the Revolution Luis Carrion Cruz, deputy interior minister, said that Andres Valle's death serves to remind us that the struggle continues.

Commander Carrion Cruz once again denounced the Yankee imperialist attacks, declaring that they want to kill us with both bullets and hunger. He also said that Goliath has declared war on David and that David will defend himself armed only with the people's courage. We will now hear excerpts of the speech that Commander Carrion Cruz delivered before hundreds of journalists yesterday at the UNCA Nais y Rios auditorium.

[Begin Carrion recording] Revolutionary journalism should be the machete, the rifle, the grenade and the cannon in the firm and calloused hands of our workers and peasants, for we are at war and each thing, each activity, each idea should be [words indistinct]. This is why revolutionary journalism means doing and saying all that and only that which will promote the people's victory.

We cannot waste energy in this war on anything that does not contribute to the rapid and effective material, political and ideological destruction of the people's enemies. Are we to sell ourselves? No!

We should not waste our energy in discussing problems and digging up old issues. It would be like a soldier who decides, in the middle of combat, that he wants to debate whether or not Nicaragua's journalists are dependent. Obviously, this is not a topic for soldiers to discuss; rather, it is one that the journalists should clarify, once and for all, in order to prevent the class enemies of the people and of the revolutionary journalists themselves from trying to create confusion in some sectors with their skillful propaganda and manipulation. [end recording]

STATE COUNCIL PRESIDENT NUNEZ LEAVES FOR LIBYA

PA161945 Paris AFP in Spanish 1606 GMT 16 May 83

[Excerpts] Managua, 16 May (AFP) -- A Nicaraguan mission today left for Europe for the purpose of analyzing the electoral system of various nations as part of the preparations for the issuing of an electoral law in the country.

Commander Carlos Nunez, president of the State Council, has departed for Libya on an official mission. Libya has offered "all its forces" to defend Nicaragua from foreign and counterrevolutionary aggressions.

LIMA'S LA PRENSA NAMES PASTORA'S DEPUTY

PA160049 Madrid EFE in Spanish 1907 GMT 14 May 83

[Text] Lima, 14 May (EFE) -- Spanish priest Antonio Merino Martin is second in command to Eden Pastora, "Commander Cero," who is now heading the operations of an armed opposition group against the Sandinist Government of Nicaragua.

The Lima newspaper LA PRENSA published the report today, citing reports by special correspondents sent to Nicaragua to keep abreast of the situation in that Central American country.

According to the daily, Merino is leading 150 men at El Pavon hill. This group is credited with several successful attacks on Nicaraguan troops. Merino has also trained a group of some 30 propagandists, who are traveling through the rural southern part of Nicaragua spreading antigovernment propaganda.

LA PRENSA also reports that tension prevails in Managua, where 12-year old and 13-year old children go through the streets armed with submachineguns, while groups of demonstrators constantly march through the city.

REGULATIONS ON RADIO COMMUNICATIONS PUBLISHED

PA132018 Managua Radio Noticias in Spanish 1200 GMT 13 May 83

[Text] General regulations on radio communications have been published. On the basis of these regulations, Telcor [Nicaraguan Telecommunications and Postal Service] is responsible for everything related to controlling radio communications in the country and for everything having to do with mobile, sea, port, aeronautics, radio broadcasting, and other services.

One of the articles notes that in the event of a breakdown in public order in the country or in the event of a state of war or a disaster, the frequencies director can either suspend or restrict broadcasting on frequency bands considered necessary throughout the country or in any part thereof.

ARRESTED COSTA RICANS PRESENTED TO PRESS

PA142227 Managua Domestic Service in Spanish 2300 GMT 13 May 83

[Excerpt] The fact that Costa Rican citizens cooperate with and participate in counterrevolutionary groups has been confirmed by this afternoon's presentation of two Costa Ricans who were arrested on 5 May when they entered Nicaraguan territory to bring supplies to traitor Pastora's groups. The two Costa Ricans were taken to the Interior Ministry's Public Relations Office by Lieutenant (Oscar Loza), chief of operations for the General Directorate of State Security.

Speaking to journalists, the counterrevolutionary Costa Ricans said that their names are Jose Esteban Quesada and Roberto Quesada and that they were recruited by an individual named Luis Robleto, who took them to a camp in Costa Rica called Tango Viejo.

HAVANA CITES REBEL ACTIVITY ON SOUTHERN BORDER

PA132256 Havana International Service in Spanish 1600 GMT 13 May 83

[Text] The Nicaraguan Foreign Affairs Ministry has reported that Francisco Rodriguez, a former major in the Costa Rican Rural Police, was killed when the anti-Sandinist group to which he belonged tried to enter Nicaragua across the San Juan River.

In San Jose, Jim Medrano, leader of Costa Rica's ruling National Liberation Party, charged that anti-Sandinist groups have been openly using the San Juan river area for 3 years for their operations against Nicaragua with the complicity of his country's authorities.

Medrano, who has been threatened with death by Eden Pastora's and Negro Chamorro's bands, asserted that the neutrality proclaimed in San Jose does not exist in that area. He stressed that the anti-Sandinists have caused an exodus of the population and have taken over waterways, which means that Costa Rica has already lost part of its sovereignty.

OFFICER ON ANTI-SANDINIST ATTACKS ON JALAPA

PA161847 Panama City ACAN in Spanish 1649 GMT 16 May 83

[By Filadelfo Martinez]

[Text] Jalapa, Nicaragua, 16 May (ACAN-EFE) -- Jalapa, a Nicaraguan town on the border with Honduras, is the immediate objective of 800 "counterrevolutionaries" who want to install a provisional government here, Captain Rodrigo Gonzalez, military chief of this zone, has said.

According to the Jalapa military chief, those 800 men of the opposition Nicaraguan Democratic Force (FDN) are part of the "task forces" that since last year have been trying to seize this town of 35,000 people, 315 km north of Managua, the Nicaraguan capital.

Capt Gonzalez said that the 800 anti-Sandinists who are currently in the camps of Wambuco, La Estrella, Cerro El Aguila, Mata de Guineo, and Trojes in Honduran territory could launch a new "more coordinated and stronger" offensive within 6 days. The military chief stressed that the FDN has suffered important defeats in its activities on the border, especially in the sectors of Wamblan, in northern Jinotega Department, and Wambu on the northern Atlantic coast.

According to Capt Gonzalez, these defeats have forced the "counterrevolutionaries" to once again take refuge in Honduran territory, where in 5 or 6 days they reorganize their commands, treat their wounded, [word indistinct] and reorient their plans.

"This is only possible in a territory that receives them and gives them shelter and with the logistical support that Honduran Army military units give to the counterrevolutionaries," Capt Gonzalez said.

He said that since 23 March the forces under his command in Jalapa have participated in nine "important" battles to repel the anti-Sandinists who maintain a constant siege against Jalapa. He explained that important battles are those that last more than 2 hours and in which more than 80 invaders participate.

He indicated that one of the heaviest attacks on Jalapa occurred at the end of April, when between 600 to 800 anti-Sandinists entered Nicaragua through the sector of Las Pampas. Fighting lasted for 8 days in La Loma de la Fila and El Castillo, and the invaders sustained 90 dead and the Sandinist Peoples Army (EPS) sustained 9 dead.

Capt Gonzalez said that the most recent attempt by the anti-Sandinists to seize Jalapa occurred 5 days ago when forces of "El Caminante," the alias of a "counterrevolutionary" leader, unsuccessfully tried to occupy Pueblo Nuevo and Hacienda Namasli. After 2 days of fighting they were forced to withdraw to Honduran territory.

LEADER CLAIMS SUCCESSFUL ATTACK BY MISKITO GROUP

PA162116 Paris AFP in Spanish 1924 GMT 16 May 83

[Text] Tegucigalpa, 16 May (AFP) -- Steadman Fagoth, the self-proclaimed chief of the general staff of the Misura Revolutionary Force, has claimed credit for the death of "over 1,000 Sandinist soldiers" and the destruction of 7 Soviet-made T-55 tanks in a battle on Friday. Fagoth spoke on Honduran television last night and gave details of the operation. The magnitude of his figures, however, caused some surprise, and could not be confirmed by an independent source.

According to the Misura leader, the attack was staged at dawn on Friday on the banks of the Lico River, some 50 km north of Puerto Cabezas, in the Honduran-Nicaraguan border area of the Atlantic coast. Fagoth's forces claim that, besides killing the 1,000 Sandinist troops, they destroyed the Atlantic Chemical Company, a company that operates in the area, during the attack. The counterrevolutionary leader said that 800 armed Miskitos attacked the firm, located in Nicaragua's Atlantic area some 50 km north of Puerto Cabezas, after clashing with two Sandinist battalions stationed on the banks of the Lico River.

Fagoth, a former collaborator with the security corps of ousted dictator Anastasio Somoza, left Nicaragua in 1981 and organized the Miskito Indians who had fled their country within several camps on Honduras' Atlantic coast. Since then, the Sandinist leaders have been charging that the Honduran Army is supporting Fagoth, who escaped death in an airplane accident in October 1981 while abroad a military plane with Major Duque, the military chief in the area.

In his statement on Honduran television, Fagoth announced the initiation of armed activities by the group he now heads, the Misura Revolutionary Force, whose existence was previously unknown. Using a map, Fagoth pointed to the exact place where the battle with the government forces took place and challenged the Managua government to deny his report and the results of the operation. He said that while 700 Miskitos were fighting the two Sandinist battalions, 200 more rebels entered the chemical company and completely destroyed it. Fagoth also claimed that his forces destroyed seven Soviet-made T-55 tanks and seized a large quantity of weapons and ammunition. He said that only 8 of his men died and that 16 were wounded.

Fatoth said that the operation "would have been more successful" were it not for the fact that those in charge of the rebels' intelligence had incorrect information about the military potential of the two Sandinist battalions at the Lico River. According to those reports, Fagoth added, the two battalions had only eight tanks. However, at the time of the attack, it was discovered that they had 27 tanks, which helped to defend the government's forces to a certain extent. Fagoth announced that his forces will carry out other operations in the area after this initial attack.

CHANGES IN COUNCIL OF MINISTERS ANNOUNCED

PA161551 Madrid EFE in Spanish 1518 GMT 16 May 83

[Text] Havana, 16 May (EFE) -- Pedro Miret Prieto has been appointed vice president of the Council of Ministers to deal with the Basic Industry Ministry and the Iron and Steel Machinery Industry Ministry, the newspaper GRANMA, voice of the Cuban Communists, reported today.

Marcos J. Portal was appointed basic industry minister to replace Joel Domenech, who becomes chairman of the National Energy Commission and retains his post as vice president of the Council of Ministers.

Jaime Crombet was promoted to the Secretariat of the Communist Party Central Committee to be in charge of basic industry, consumption and services, a post held by Pedro Miret.

These new internal changes in the Cuban Council of Ministers show a strengthening in the fields of Cuba's basic industry and iron and steel machinery industry.

HAVANA DERIDES UPCOMING REAGAN PRESS CONFERENCE

FL162001 Havana Domestic Service in Spanish 1908 GMT 16 May 83

[Text] Clown Reagan will perform again tomorrow. No, we are not talking about an advertisement for the national circus, but tomorrow, the President of the United States will hold another televised press conference, an occasion which he has recently used to display his buffoonery and cockiness.

The White House officially announced that the Yankee President himself had decided to appear before the cameras. It seems he cannot forget his days as a bad actor in Hollywood, this being his 17th press conference since becoming President in January 1981. It has also been assured that Reagan will juggle words in order to try to justify Yankee meddling in Central America and the Middle East and the expansion of the arms race.

Following his weekend retreat, the President of the United States avoided questions from reporters and invited them to watch him perform before the television cameras at 2000 tomorrow.

ROA CHARGES U.S. SEEKS TO OVERTHROW SANDINISTS

PA170200 Madrid EFE in Spanish 0107 GMT 17 May 83

[Text] United Nations, 16 May (EFE) -- Raul Roa Kouri, Cuban representative at the United Nations, accused the United States today of "seeking to overthrow the Nicaraguan Government of National Reconstruction [JGRM] and to destroy the Sandinist revolution."

"It is an extraordinary experience to listen to the U.S. representative declare that they do not invade small countries and that their neighbors do not have to worry about this kind of thing," Roa stated.

"It is necessary," he said, "to list the interventions and acts of aggression that have been perpetrated in Latin America by that seraphic power from the end of the last century until now."

Roa accused the United States of having "abandoned any guise of morality or legality."

He said that, after proclaiming "that its aggressive policy toward Nicaragua is only intended to prevent that country's alleged arms traffic to El Salvador, it is now confessing its real motives: to overthrow the JGRN and to destroy the Sandinist revolution."

Roa charged that the United States is currently wielding the same weapons it has used against Cuba: "economic aggression, the hindrance of international credit, pressure on other countries and the organization of trained mercenary bands that are financed and armed by the CIA."

"It is no secret to anyone that the Honduran military high command is totally committed to the U.S. attack on Nicaragua," the Cuban representative stated, adding that "the Honduran Government can do nothing to oppose the decisions of the allied generals at the Pentagon."

"Those who feel protected by the Yankees' power are mistaken to think that they can go back in history," Roa stated, noting Nicaragua's willingness to engage in dialogue, as Nicaraguan Foreign Minister Miguel D'Escoto previously stated.

He indicated that the draft resolution to be presented by the Nonaligned members of the UN Security Council confirms "the Sandinist government's commitment to peace and expresses support for its principles."

Finally, he expressed support for a negotiated solution to the problems in Central America, "particularly the aggression against Nicaragua."

COMMENTARY ON ATTACKS AGAINST NICARAGUA

PA161639 Havana International Service in Spanish 0000 GMT 16 May 83

["Our America" commentary]

[Text] It has been known that for some time now, beginning a few months after the Sandinist revolution's triumph in 1979, the Hondruan authorities have been playing Yankee imperialism's game in the plans drafted by the CIA and the Pentagon to try to crush the new Nicaragua.

Since then, thousands of former Somozist guardsmen have been using Honduran territory to prepare their armed attacks on Nicaragua. They have their base of operations there, receiving military training and large amounts of war supplies from the United States and the Honduran Army. However, the Nicaraguan counterrevolution was not satisfied with that. It wanted to attack the new Nicaragua from another war front. They had one in the north, that of Honduras, and were preparing a second one to the south of Sandino's homeland, that is to say, Costa Rica.

This new stage for the anti-Sandinist groups promoted by the U.S. Government was made public a few months ago. Jim Medrano, a leader of the Costa Rican National Liberation Party [PLN], a few days ago told the press that the San Juan River basin has become an essential region for the Nicaraguan counterrevolutionary groups, which openly use it with the complicity of the local authorities. The PLN leader, who has received deaths threats from those groups, denied that the San Jose government's publicly proclaimed neutrality exists in that region. Someone must state this and call things by their name, he said. When one speaks of national sovereignty and dignity, one must defend them. Medrano charged that there are about 1,200 to 1,500 counter-revolutionaries in the Costa Rican town of Los Chiles, and that they have provoked fear among the people.

The cattle ranches and grain farms are being abandoned. Education in the zone has been suspended, he said, adding that daily activities have been disrupted by this abnormal situation. He added that the anti-Sandinists have seized the water routes and the roads. Costa Rica has already lost part of its sovereignty, Medrano admitted.

After indicating that only the complicity of the Costa Rican authorities can explain the impunity with which the Nicaraguan counterrevolutionary groups act, Medrano said that there is an undeclared state of siege in the region on the border with Nicaragua.

Regarding the arms supply, he said that the counterrevolutionary bands boast of having RPG rockets, 120-mm mortars, FAL and Galil rifles and other weapons. He also stressed that the anti-Sandinists only attack from Costa Rica. They open fire on the Sandinist Army's border posts, and if they cross the border they return also immediately.

Medrano also described the anti-Sandinist groups led by traitors Eden Pastora and "El Negro" Chamorro as immoral, and he stressed that these individuals are looking for mercenaries and are trying to recruit the Costa Rican peasants in those impoverished rural areas. He said that the residents on the banks of the San Juan River receive offers to fight against the Sandinist revolution for an initial $200 plus $100 a month.

It was learned this week that Francisco Rodriguez, a former Costa Rican Rural Guard major, was killed when the anti-Sandinist group to which he belonged attacked the Nicaraguan border post of El Papaturro, in the San Juan River area.

Yankee imperialism seeks to oust the Sandinist revolution with the increase of the counterrevolutionary groups and armed actions, but none of its sinister plans have been able to make the heroic Nicaraguan people give up their determinatin to create a new and sovereign Nicaragua.

33 JAILED FOR 'CIA-SUPPORTED' SABOTAGE ACTS

NC150738 Paris AFP in English 0731 GMT 15 May 83

[Text] Havana, May 15 (AFP) -- Thirty-three people have been sentenced to "light" or "severe" prison terms for having carried out "numerous and continual" acts of sabotage with the support of the U.S., Central Intelligence Agency, a Cuban union official said here.

The statement by Roverto Veiga, the head of the Cuban Workers' Headquarters, came in response to Western reports that five Cubans had recently been sentenced to death for having organized an independent union similar to the Solidarity federation in Poland.

Mr Veiga, speaking yesterday at a meeting of the communist-dominated World Trade Union Federation, said those sentenced had "never claimed to defend union rights and even less to organize a union."

"None of them were sentenced to death," he added.

He said those sentenced had committed such crimes as planning attacks on Cuban leaders and "large-scale acts of sabotage against major commerical centers" in Cuba. He said some had also set fire to crops.

MALMIERCA ENDS OFFICIAL VISIT TO MADAGASCAR

FL161630 Havana Domestic Service in Spanish 1424 GMT 16 May 83

[Text] Foreign Minister Isidoro Malmierca has asserted at a press conference in Antananarivo that cooperation between Cuba and Madagascar is developing successfully.

Malmierca made this statement at the end of his official visit to Madagascar and he also expressed his satisfaction at the results of the third meeting of the Joint Malagasy-Cuban Commission. The Cuban foreign minister said that measures were taken at the meeting to develop bilateral contacts in the fields of economy, science, culture, and sports. He reported that the next meeting of the commission will take place in Cuba in 1985.

During his stay in Antananarivo, Malmierca was received by Malagasy head of state Didier Ratsiraka with whom he exchanged points of view regarding the present world situation.

GARCIA FRIAS MEETS USSR POLITBURO MEMBER ALIYEV

FL161757 Havana Domestic Television in Spanish 1700 GMT 16 May 83

[Text] Guillermo Garcia Frias, member of the Politburo of the Central Committee of the Cuban Communist Party and vice president of the Councils of State and Ministers of our country, was received in Moscow today by Geydar Aliyev, member of the Politburo of the CPSU Central Committee and first deputy chairman of the USSR Council of Ministers. During the meeting, problems of bilateral cooperation in the area of transportation and of Cuban-Soviet trade were discussed. Particular attention was given to the development and effective use of transport in our country, as well as the strengthening of its material and technical basis.

HEALTH MINISTER DEL VALLE ARRIVES IN WARSAW

FL161545 Havana Domestic Service in Spanish 1400 GMT 16 May 83

[Text] Warsaw -- Sergio del Valle, member of the Politburo of the Communist Party of Cuba and minister of public health, arrived in the Polish capital at the head of a delegation for an official visit to that country. At Okecie Airport he was received by Polish Health and Social Welfare Minister Tadeusz Szelachowski, First Vice Minister Stanislaw Gura and Cuban Ambassador Raul Fornell Delgado.

During his stay in Warsaw, del Valle will hold official talks with Szelachowski which will lead to the signing of the plan for cooperation between the two ministries for the 3-year period 1983-1985.

CORRECTION TO CASTRO GREETS AFRICAN DELEGATION

[The following correction pertains to the item headlined "Castro Greets African Congress Delegation," published in the 16 May Latin America DAILY REPORT, page Q 1, paragraph one, line one: ...Havana with the African National Congress Delegation headed... (correcting name of organization) and last paragraph, line four: ...and Guatemala. The African National Congress leader condemned the... (correcting name of organization)

BARBADOS

ADAMS CITES NEED TO STEM FUTURE TRADE PROBLEMS

FL161930 Bridgetown CANA in English 1805 GMT 16 May 83

[Text] Bridgetown, Barbados, May 16, CANA -- Prime Minister Tom Adams says a review of the Caribbean Community (Caricom) Treaty and trading arrangements, aimed at ensuring there is no occurence of the recent trade impasse in the region, is a main issue for a proposed meeting of regional finance ministers here next month.

Adams told a constituency branch meeting of his ruling Barbados Labour Party (BLP) last night that a failure to resolve the impasse would have led to the destruction of Caricom altogether. "We have had a very quiet fright," Adams said. He noted that between sixty and seventy per cent of Barbados economy was dependent on trade.

In looking to Barbados' future, he continued, it would be necessary to look again at the Caricom Treaty and trading arrangements to ensure that competitive and unfair licensing practices and unfair disobedience of the rules of origin did not present a threat to Caricom.

A four-month-old-trade impasse, stemming from Jamaica's move in January to introduce a two-tier currency exchange rate policy, was resolved at a mini heads of government meeting here on May 7 at which there was agreement on a special rate for Caricom goods imported into Jamaica.

The prime minister said that as Barbados economy grew trade would also increase. He said the dependency on trade was not going to get less, adding: "As we get richer we will have to import more and export more."

He said Barbados, which had a 47.2 million dollar (U.S.) loan agreement with the International Monetary Fund (IMF) approved last October, would probably have ended the programme at the end of last month "were it not that we could not get out 130 million dollars (one BDS dollar; 50 cents U.S.) out of the Caricom payment facility."

Adams said the Trinidad and Tobago Government had shown "an exceptional insensitivity" to Barbados' payments problems within the suspended Caribbean Multilateral Clearing Facility (CMCF). The facility is a credit arrangement scheme among Caricom countries to develop trade.

"The reason why we have been in difficulty is that the Trinidad Government continued to supply petroleum products to Guyana through the facility when Guyana was unable to pay for the products through the CMCF," Adams remarked in a packed school hall.

He added: "Guyana was therefore allowed to build up a very large debt within the facility which eventually broke the facility so the facility had no money and was unable to pay Barbados."

"All along we have argued that if you want to help a man, help him out of your own pocket and not at the expense of a third party," he said.

On the IMF agreement Prime Minister Adams said Barbados had not wanted to borrow any more money from foreign sources and the IMF money was much cheaper.

He accused the opposition Democratic Labour Party (DLP) of misunderstanding the wording of minutes relating to the IMF agreement in its criticism of government's move to establish the loan arrangement.

Adams also denied opposition charges that government was considering a devaluation of its dollar, noting "it (devaluation) simply may not work at all in Barbados."

GRENADA

DELEGATION TO USSR FOR PLANNING TRAINING

FL161828 Bridgetown CANA in English 2219 GMT 14 May 83

[Text] St Georges, Grenada, May 14, CANA -- Permanent secretary in the Grenada Ministry of Construction, Michael Prime, is heading a 10-man delegation that left here yesterday for the Soviet Union for a training course in planning, according to stateowned Radio Free Grenada [RFG]. RFG said that this is one of the benefits of Prime Minister Maurice Bishop's visit to the Soviet Union last July.

The training course has been arranged under a bilateral agreement covering technical and economic cooperation between Grenada and the Soviet Union signed during Bishop's visit to Moscow. The RFG did not say how long the course will last.

HAITI

CHRISTIAN DEMOCRAT GROUP PROTESTS TO DUVALIER

PA162324 Havana International Service in Spanish 1800 GMT 16 May 83

[Text] The International Christian Democratic Organization sent a protest note to Jean Claude Duvalier, head of the Haitian regime, over the mass arrest of political adversaries last week and the violation of human rights in Haiti. The protest note, issued in Rome, Italy, demands the release of Haitian leader Jean Babtiste (Duclos) and other political prisoners from prison.

MUNICIPAL ELECTIONS DECLARED VOID IN TWO CITIES

FL170134 Bridgetown CANA in English 0047 GMT 17 May 83

[Text] Port-au-Prince, May 16, CANA-Reuter -- Municipal elections in two Haitian cities were declared void today because of fraud in yesterday's poll, elections officials said. Vote in Petit Goave, about 40 km (23 miles) northwest, will be taken again on May 29, they said. Local elections authorities in both towns saw to it that the government candidate won, the officials said then gave no details.

Haiti elected municipal officials in 88 cities for the first time since Francois Papa Doc Duvalier took power in 1957. His son Jean-Claude is president-for-life since 1971.

Officials said 70 per cent of the islands 1.5 million voters turned out a marked improvement over the first round of voting in three provinces in April. Elections are scheduled in the capital and its suburbs in July. The Haitian Human Rights League had denounced the elections as lacking in credibility. Observers from the Haitian Government, the U.S. and French Embassies, and the office of a U.S. congressman were stationed at the polls to guard against fraud.

JAMAICA

OPANAL CONFERENCE OPENS WITH NUCLEAR WAR WARNING

FL162220 Bridgetown CANA in English 2138 GMT 16 May 83

[By Paget Defreitas]

[Text] Kingston, Jamaica, May 16 CANA -- The eighth general conference of the Agency for the Prohibition of Nuclear Weapons in Latin America (OPANAL) opened here today with delegates warning that no nation could win and no inhabitant of the world be left unaffected in a nuclear war.

After the opening speeches, Panama placed on the agenda for discussion the issue of whether Britain, in contravention of the Treaty of Tlatelolco, carried nuclear weapons to the South Atlantic during last year's war with Argentina over the disputed Falkalnd (Malvinas) Islands.

"...No territory on the planet, no inhabitant of the world would escape the holocaust in a nuclear war," OPANAL's secretary general, Martinez Cobo of Ecuador, told the opening session.

"There is no way of limiting it and no way of prolonging it to win it," he added -- Cobo pleaded for a speeding up of the demilitarisation of the zone of application of the Treaty of Tlatelolco, Mexico, of which OPANAL is the coordinating arm.

The out-going president of the conference, Mexico's Jorge Montano, declared: "Nuclear war cannot be confined to frontiers, it doesn't respect national interests. "Its victim is humanity itself," he said.

Montano stressed that peace could not be achieved through a "balance of terror" or with nuclear weapons, but only through dialogue and peaceful negotiations.

Added the Jamaica junior foreign minister, Neville Gallimore: "I believe that I can speak for all of us here in deploring the fact that many states have been embarking on dangerous rearmament programmes.

"They must be reminded that this absurd and perilous escalation of the arms race, both nuclear and conventional, not only exacerbates present international tensions and conflicts but consumes valuable resources which could, more profitabily, be spent on economic and social development, particularly in the Third World."

OPANAL general conferences are held every two years, and the Anglo-Argentine issues as well as the use of nuclear power for peaceful means in Latin America are expected to be the main agenda items during this session.

Britain is linked to the Treaty of Tlatelolco having ratified both protocols of the agreement preventing it from bringing nuclear weapons in the zone covered by the treaty.

But Argentina has charged that during the South Atlantic war, Britain not only had nuclear weapons aboard some of its vessels. [sentence as received]

Britain has denied that it brought nuclear weapons to the area, but Panama has raised the matter in other OPANAL councils and its representative Jose Guillermo Stoute had the matter placed on the agenda for discussions during this meeting. Argentina, though a signatory to the Treaty of Tlatelocol, has not yet fulfilled all the requirements for full membership.

Conference sources said that the British representative David Edwards did not object to the matter being raised, but wanted to be sure that placing the issue on the agenda did not imply that Britain had violated the treaty.

Some Latin American states argue that even if Britain did not have nuclear weapons in the South Atlantic, the fact that nuclear submarines were in the area not on "innocent passage" breached the spirit of the agreement.

Edwards would not discuss the matter afterwards, but other British sources said that tha that country was not so much concerned about the implications of a nuclear submarine or vessels capable of carrying nuclear weapons being in the South Atlantic during the war, but rather that it "complied in every way to its obligations under the Treaty of Tlatelolco."

The matter is scheduled for discussions on Wednesday, but conference sources said that it could come up tomorrow as it was also mentioned in the secretary general's report which is to be aired then.

But while this issue will be the most controversial, the most important to the delegates delegates in regard to the long term development of Latin America is the use of nuclear energy for peaceful purposes.

Cobo told the meeting that Latin America had the capacity to use nuclear power for its peaceful development, but noted that OPANAL lacks the resources and the staff to carry through such a programme at this state.

To this end he urged member countries to begin to make the resources available to the agency.

INTER-AMERICAN AFFAIRS

ALADI ENDS RENEGOTIATION MEETING IN MONTEVIDEO

PY162358 Paris AFP in Spanish 2243 GMT 12 May 83

[Text] Montevideo, 12 May (AFP) -- The 11 countries that make up the Latin American Integration Association (ALADI) today ended the renegotiation of the historical body of rules inherited from the dissolved Latin American Free Trade Association (LAFTA). Under the agreements signed at this time, as of 1 May 1983 all trade which was negotiated under LAFTA preferential rules and trade among member nations will continue under the same conditions. The renegotiation, which started in 1980, produced 30 different kinds of agreements.

The five signatory countries of the Cartagena agreement (Bolivia, Colombia, Ecuador, Peru, and Venezuela) held bilateral renegotiations with the other countries. Moreover, the members of the plurilateral agreements [agreements involving from 3 to 10 countries] known as resolution No. 26 -- Argentina, Brazil, Chile, Mexico, Paraguay and Uruguay -- will still abide by the multilateral agreements. [agreements involving all 11 countries] with the exception of Mexico and Brazil which established new bilateral agreements as well as with countries associated under resolution No. 26.

Despite the fact that the demand for open markets was decided in their favor, the delegations from Bolivia, Ecuador and Paraguay voiced their deep concern over the products that were approved because in some cases they were too modest while in others they were of a merely token value. The three nations, which are considered the least developed in ALADI, reasserted, and noted in a joint declaration, that the expansion of the list in question is the only real and effective means to offer support to less wealthy countries.

GUYANA

ARMY BEGINS MILITARY MANEUVERS IN ESSEQUIBO

PA121719 Paris AFP in Spanish 1538 GMT 12 May 83

[Text] Georgetown, 12 May (AFP) -- It has been officially announced in this capital that the Guayanese Army today began 2 weeks of military maneuvers in the Essequibo Region, which Venezuela is currently claiming.

The Guyanese military force began its war exercises in the framework of a military operation known as the "Green Heart Exercise." The Army has described these maneuvers "as a routine military training action."

The maneuvers, in which real bullets will be used, will conclude on 26 May in Mathews Ridge, 35 km from the Venezuelan border. Guyana staged similar military exercises in this same region in 1982.

It was recalled in Georgetown today that Guyana and Venezuela have placed their border dispute in the hands of UN Secretary General Javier Perez de Cuellar. It was added that Guyana's Armed Forces include the Army, police and the people's militias. The Army's official report did not specify whether these maneuvers will include the Guyanese Air Force.